FEDERAL AID PROJECT ATTACHMENT 1

DISADVANTAGED BUSINESS ENTERPRISE UTILIZATION

A. Utilization of Disadvantaged Business Enterprises as Subcontractors, Transaction Expeditors, Regular Dealers, Manufacturers and Truckers. The Department advises the Contractor and subcontractors that failure to carry out the requirements in this attachment constitutes a material breach of Contract and, after the notification of the applicable Federal agency, may result in termination of the agreement or Contract by the Department or such remedy as the Department deems appropriate. Requirements set forth in this section shall also be physically included in all subcontracts in accordance with USDOT requirements.

B. Policy. It is the policy of the Department that Disadvantaged Business Enterprises, as defined in 49 CFR, Part 26; Titles I & V of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA); MAP-21, Moving Ahead for Progress in the 21st Century Act (P.L. 112-141); FAST-ACT, Fixing America's Surface Transportation Act (P.L. 114-94, December 4, 2015); and Section III below, shall have an equal opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this agreement. The Disadvantaged Business Enterprise requirements of 49 CFR, Part 26 et seq. apply to this agreement.

C. Definitions

1. Disadvantaged Business Enterprise (DBE). A for-profit small business concern:
   a. That is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and
   b. Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it, and who do not exceed the personal net worth criteria established in 49 CFR Part 26.

2. Socially and economically disadvantaged individual. Any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who has been subjected to racial or ethnic prejudice or cultural bias within American society because of his or her identity as a member of groups and without regard to his or her individual qualities. The social disadvantage must stem from circumstances beyond the individual’s control.
   a. Any individual who a recipient finds to be a socially and economically disadvantaged individual on a case-by-case basis. An individual must demonstrate that he or she has held himself or herself out, as a member of a designated group;
   b. Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:
      (1) Black Americans," which includes persons having origins in any of the Black racial groups of Africa
      (2) Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race
      (3) Native Americans," which includes persons who are enrolled members of a Federally or State recognized Indian tribe, Alaska Natives, or Native Hawaiians
      (4) Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), Republic of the Northern Marianas Islands, Samoa, Macao, Fiji, Tonga, Kirbati, Tuvalu, Nauru, Federated States of Micronesia, or Hong Kong
      (5) Subcontinent Asian Americans," which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka
      (6) Women
      (7) Any additional groups whose members are designated as socially and economically disadvantaged by the SBA, at such time as the SBA designation becomes effective.
      (8) Being born in a particular country does not, standing alone, mean that a person is necessarily a member of one of the groups listed in this definition.
3. Commercially Useful Function (CUF). A DBE performs a commercially useful function when it is responsible for execution of a distinct element of the work of a contract and carrying out its responsibility by actually performing, managing and supervising the work involved. To perform a commercially useful function, the DBE must also be responsible, with respect to materials and supplies used on the contract, for preparing the estimate, negotiating price, determining quality and quantity, ordering the material, arranging delivery, installing (where applicable), and paying for the material and supplies itself for the project.

4. Transaction expediter (broker). A DBE who arranges or expedites transactions and who arranges for material drop shipments.

5. DBE regular dealers. A firm that must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question. In addition, a regular dealer must own, operate or maintain a store, warehouse, or other establishment in which the materials, supplies, articles or equipment required under this Contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.

6. DBE manufacturer. A firm that operates or maintains a factory or establishment that produces on the premises, the materials, supplies, articles, or equipment required for the Contract.

7. Good faith effort (GFE). Efforts to achieve a DBE goal or other requirement of 49 CFR Part 26, which by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program requirement. Efforts to include firms not certified as DBEs in the state where the contract is being let are consequently not good faith efforts to meet a DBE contract goal.

8. Affirmative Action Plan. An outline of the steps a contractor or subcontractor will implement to achieve equal employment opportunity and affirmative action and/or to correct its equal employment and affirmative action program deficiencies.

D. Compliance. The Contractor is responsible for compliance as specified in Section 105.

E. Contractor’s DBE Obligations. Ensure that DBEs have an equal opportunity to receive and participate in contracts and subcontracts financed in whole or in part with Federal funds in performing work with the Department. Take all necessary and reasonable steps in accordance with 49 CFR, Part 26 and the Contract to ensure that DBEs are given equal opportunity to compete for and to perform on the Department’s Federal aid projects. Do not discriminate in the award and performance of any Contract obligation including, but not limited to, performance of obligations on USDOT assisted contracts, as specified in Section 107.

1. Post Award Obligations
   a. Give DBEs equal consideration with non-minority firms in negotiation for any subcontracts, purchase orders or leases.
   b. Attempt to obtain qualified DBEs to perform the work. A directory of certified Disadvantaged Small Businesses Enterprise firms can be found in the New Jersey BizNet UCP Directory, online at: http://www.njucp.net/

2. Affirmative Action After Award of the Contract
   a. Subletting. If at any time following the award of the Contract, the Contractor intends to sublet any portion(s) of the work under said Contract, or intends to purchase material or lease equipment not contemplated during preparation of bids, take affirmative action:
      (1) Notify the RE, in writing, of the type and approximate value of the work which the Contractor intends to accomplish by such subcontract, purchase order or lease.
      (2) Submit the Post-Award Minority Certification (Part IV of the DC-18A Request for Approval to Sublet on Projects Utilizing the 2007 Specifications Form) to the Regional Supervising Engineer with the application to sublet, or prior to purchasing material or leasing equipment. Obtain Post Award Minority Certifications from the RE.
      (3) Efforts made to identify and retain a DBE as a replacement subcontractor, lower tier subcontractor, transaction expediter, regular dealer, supplier, manufacturer or trucker when the arrangements with the original DBE prove unsuccessful, shall be as specified in Section 108. Work in the category concerned shall not begin until such approval is granted in writing by the Department.
      (4) Notification of a DBE firm’s termination will be as specified in Section 108. Send notice in writing to the Department through the RE. Said termination notice will include the firm’s ethnic classification, whether the firm is a DBE and the detailed reason(s) for termination.
b. **Selection and Retention of Subcontractors.** Do not discriminate in the selection and retention of subcontractors, including procurement of materials and leases of equipment as specified in 108.01. Provide the RE with a listing of firms, organizations or enterprises solicited and those utilized as subcontractors on the proposed project. Such listing shall clearly delineate which firms are classified as DBEs. Provide the RE with subcontract agreements for all subcontractors performing work on the Contract as specified in Section 108.

(1) Efforts made to identify and retain a DBE as a replacement subcontractor, lower tier subcontractor, transaction expeditor, regular dealer, supplier, manufacturer or trucker when the arrangements with the original DBE prove unsuccessful, shall be submitted as specified in Section 108. Work in the category concerned shall not begin until such approval is granted in writing by the Department.

(2) Notification of a DBE firm’s termination will be as specified in Subsection 108.01. Send notice in writing to the Department through the RE. Said termination notice will include the firm’s ethnic classification, whether the subcontractor is a DBE and the detailed reason(s) for termination.

c. **Meeting Contract DBE Goal.** Demonstrate attainment toward meeting the Contract DBE goal by reporting monthly, all DBE participation, to the Department’s RE and DCR/AA Contract Compliance Unit using the CR-267 – Monthly DBE Utilization Form. The form is due by the 5th of the month, and must list all DBEs used on the Contract, the specific Contract work items each DBE is performing, whether the DBE is performing full or partial work on the items, and the amount paid to each DBE each month. Failure to report the information, and accurately report it may result in payment being delayed or withheld as specified in Section 105, assessing sanctions, or termination of the Contract as specified in Section 108.

d. **Termination, Substitution or Replacement of DBEs.** Make good faith efforts to replace a DBE that is terminated or has otherwise failed to complete its work on the Contract with another certified DBE, to the extent needed to meet the Contract DBE goal. Notify the DCR/AA immediately of the DBE’s inability or unwillingness to perform and provide reasonable documentation. Prior to termination, substitution or replacement of a DBE subcontractor, lower tier subcontractor, transaction expeditor, regular dealer, supplier, manufacturer or trucker, submit a Revised Form CR-266 to the Department naming the replacement DBE firm(s), type of work performed, specific Contract work items, whether the DBE is performing full or partial work on the items, dollar value and percent of total Contract for each DBE firm. Submit detailed written explanation of why each change is being made, including documented evidence of good faith effort(s) with the submission of the revised Form CR-266. Submit along with the revised CR-266: 1) a completed Confirmation of DBE Firm (Form CR-273) to demonstrate direct written confirmation from each DBE firm participating on the Contract, confirming the kind and amount of work that was provided on the Contractor’s CR-267, and if applicable; 2) a completed DBE Regular Dealer/Supplier Verification (Form CR-272) for all DBE Regular Dealers/Suppliers listed on the revised CR-266; and if applicable, 3) a completed DBE Trucking Verification (Form CR-274) for all DBE truckers listed on the revised CR-266. Termination, substitution or replacement of DBEs shall be made as specified in Section 108. Termination or replacement of DBEs cannot be made without prior written approval of the Department as per 108.01.

e. **Submission of Good Faith Effort Documentation.** If the Contractor is unable to meet the Contract goal for DBE participation, submit to the DCR/AA for review and approval, documented evidence of good faith efforts along with the monthly CR-267 form. This submission must include written details addressing each of the good faith efforts outlined in the Contract. Submittal of such information does not imply DCR/AA approval. The Department’s DCR/AA has sole authority to determine whether the Contractor is meeting the Contract DBE goal or made adequate good faith efforts to do so.

F. **DBE Goals for the Contract.** This Contract includes a goal of awarding _______ percentage of the Total Contract Price to subcontractors, transaction expeditors, regular dealers, manufacturers and truckers qualifying as DBEs.

The Department’s DCR/AA has sole authority to determine whether the Contractor met the goal or made adequate good faith efforts to do so. If the DCR/AA determines that the Contractor has failed to meet the Contract DBE goal or made adequate good faith efforts to do so, the Department will follow Section 105.

G. **Counting DBE Participation.**

1. Each DBE is subject to a certification procedure to ensure its DBE eligibility status prior to the award of the Contract. All DBEs working on the Contract must be certified DBEs. To receive DBE credit toward meeting
a contract goal in the context of the contract award process, a DBE firm must be certified before the due date for bids or offers on the Contract, as stated in 49 CFR Part 26.81(c). There may be situations after the award of the Contract, however, in which it is appropriate to count DBE credit for the use of a DBE subcontractor certified after the contract is executed. To be eligible to obtain DBE credit, a DBE subcontractor must be certified before the subcontract on which it is working is executed.

2. The Department determines the percentage of DBE participation that will be counted toward the Contract DBE goal in accordance with 49 C.F.R. Part 26.55 et seq.

3. The Contractor will count DBE participation toward the Contract DBE goal only the value of the work actually performed by a certified DBE and only if the DBE performs a commercially useful function in the work of a contract as per 49 CFR, Subpart C, Part 26.55(c) and the Contract.

4. The Department will count DBE participation for DBE trucking firms in accordance with 49 C.F.R. Part 26.55 et seq. The DBE can count the entire value of services performed by DBE trucks. The DBE can count the value of non-DBE trucking services up to the value of services performed by DBE trucks used on the Contract. DBE participation can be counted for the value of services of non-DBE trucks that exceed the value of the services performed by DBE trucks only in the amount of the fee or commission a DBE receives as a result of the lease arrangement.

5. The Department will count DBE participation for DBE regular dealers, manufacturers and transaction expeditors in accordance with 49 C.F.R Part 26.55 et seq. Transaction expeditors/brokers will not receive DBE credit for any portion of the cost of the materials and supplies themselves toward the Contract DBE goal. For brokers, only the DBE’s fee or commission, and no part of the cost of the goods, count towards DBE goals. The Department will determine if the fees are reasonable and not excessive as compared with fees customarily allowed for similar services. If a certified firm acts as a “regular dealer” in a given transaction, it is awarded DBE credit equivalent to 60 percent of the value of the items it supplies on that contract. This credit is awarded in recognition of the value the DBE adds to transaction and the risks that it takes.

6. If the Contractor is a certified DBE, payments made to the Contractor for work performed by the Contractor will be applied toward the Contract DBE goal. Payments made to the Contractor for work performed by non-DBEs will not be applied toward the Contract DBE goal.

7. When a DBE subcontractor sublets part of the work of its contract to another firm, the value of the subcontract work may be counted towards the Contract DBE goal only if the subcontractor itself is a certified DBE. Work that a DBE subcontractor subcontracts to a non-DBE firm, cannot be counted towards the Contract DBE goal.

H. Commercially Useful Function

1. Performance of Work. The DBE must perform the work with their own permanent employees, or employees recruited through traditional recruitment and/or employment centers. DBEs must employ and control their own workforce, and cannot share employees with the Contractor, other subcontractors on the present project, or the renter-lessee of equipment being used on the present project. The DBE firm must be responsible for all payroll and labor compliance requirements for all of their employees performing work on the Contract. Direct or indirect payments by any other contractor are not allowed.

2. Managing Work. The DBE must manage the work themselves including the scheduling of work operations, ordering of equipment and materials, hiring/firing of employees, including supervisory employees, and preparing and submitting certified payrolls. The DBE must supervise their portion of daily work operations of the project. With respect to materials and supplies used on the Contract, the DBE must be responsible for preparing the estimate, negotiating price, determining quantity and quality, ordering the material, arranging delivery, installing, (where applicable), and paying for the material and supplies itself, for the project.

3. Responsibility of Work. A DBE must perform or exercise responsibility for at least 30 percent of the total cost of its contract with its own workforce. The DBE must not subcontract a greater portion of the work of a contract than would be expected on the basis of normal industry practice for the type of work involved.

4. Equipment of DBE. The DBE must perform the work stated in the subcontract with their own equipment, whether owned or leased and operated on a long term agreement, not an ad hoc or contract by contract agreement. The equipment must be owned by the DBE firm, or leased/rented from traditional equipment lease/rental sources. The equipment will not belong to the Contractor, any other subcontractor or lower tier subcontractors on the current project, or supplier of materials being installed by the DBE firm.

5. Lease of Equipment. A DBE firm may lease specialized equipment from a contractor, but not from the Contractor, if it is consistent with normal industry practices and at rates competitive for the area. Rental agreements must be for short periods of time, specify the terms of the agreement and involve specialty equipment to be used at the job site. The lease may allow the operator to remain on the lessor’s payroll, if it is
the generally accepted industry practice but the operation of the equipment must be subject to full control by
the DBE. The DBE is expected to provide the operator for non-specialized equipment, and is responsible for all payroll and labor compliance requirements. A separate lease agreement is required.

6. **DBE Trucking.** DBE trucking companies must perform a commercially useful function in accordance with 49 CFR Part 26.55 et seq. Contrived arrangements for the purpose of meeting DBE goals will not be allowed. The DBE must be responsible for the management and supervision of the entire trucking operation on a contract-by-contract basis, and must own and operate at least one fully, licensed, insured and operational truck used on the Contract.

The DBE trucking firm is not permitted to obtain trucks from the Contractor to perform work on the project. The DBE may lease trucks from a subcontractor working on the project, provided the trucks are obtained from the subcontractor prior to the project letting. The DBE may lease trucks from another DBE, including an owner-operator that is certified as a DBE. The DBE may also lease trucks from non-DBEs and owner-operators. Bona fide lease agreements must be for the length of time needed by the DBE on the Contract and signed by both the DBE and the firm(s), either certified DBE or non-DBE, from which the trucks will be leased. Leases must indicate that the DBE has exclusive use and control over the truck. As per 49 CFR Part 26.55(d)(7), all leased trucks, including non-DBE trucks, must display the name and USDOT identification number issued for interstate commerce, of the DBE firm on the outside of the truck. DBE firms are expected to use the same trucks for DBE credit on all projects so use of leased vehicles on a project-by-project basis is not permitted.

The Contractor shall have signed Hiring Agreements. Submit copies of these signed Hiring Agreements, and copies of all signed lease agreements to the RE prior to the trucking firm’s commencing work on the project. Prior to the DBE trucking firm beginning work on the Contract, DBE Trucking firms will be required to complete the DBE Trucking Verification (Form CR-274). The DBE and Contractor must sign the form and the Contractor submit the original CR-274 form directly to the Department’s RE, with a copy submitted to the DCR/AA. The Contractor must prepare, sign and submit with the CR-267, a Monthly Trucking Verification form (CR-271), identifying each truck owner, DBE Certification number, company name and address, truck number, and commission or amount paid for all DBE and non-DBE truckers performing work on the project.

7. **DBE Regular Dealers.** DBE regular dealers must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question. In addition, a regular dealer must own, operate or maintain a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under this Contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.

When the Contractor seeks credit toward the Contract DBE goal using DBE regular dealers, the DBE Regular Dealer/Supplier Verification (Form CR-272) must be completed and signed by the DBE regular dealer and then signed by the Contractor. Submit the form to the Department as per Section E of this Special Provision for DCR/AA review, approval and determination of credit toward the Contract goal. Failure to submit the forms may result in denial or limit of credit toward the Contract DBE goal, payment being delayed or withheld as specified in Section 105, assessing sanctions or termination of the Contract as specified in Section 108.

8. **DBE Manufacturers.** DBE manufacturers must be a firm that operates or maintains a factory or establishment that produces, on the premises, the materials, supplies, articles, or equipment required for this Contract.

9. The Contractor shall not use a DBE solely for the purpose of acting as an extra participant in a transaction, a contract or the Contract through which funds are passed in order to obtain the appearance of DBE participation.

1. **Good Faith Effort.** To demonstrate good faith efforts to meet the Contract DBE goal, a Contractor shall, on an ongoing basis, document the steps it takes to obtain DBE participation in accordance with 49 CFR Part 26.53 and Appendix A, including but not limited to the following:

   1. Conducing market research to identify small business contractors and suppliers and soliciting through all reasonable and available means the interest of all certified DBEs that have the capability to perform the work.
of the Contract. This may include attendance at pre-bid and business matchmaking meetings and events, advertising and/or written notices, posting of Notices of Sources Sought and/or Requests for Proposals, written notices or emails to all DBEs listed in the State’s directory of transportation firms that specialize in the areas of work desired (as noted in the DBE directory) and which are located in the area or surrounding areas of the project.

Should solicit this interest as early in the acquisition process as practicable to allow the DBEs to respond to the solicitation and submit a timely offer for the subcontract. Determine with certainty if the DBEs are interested by taking appropriate steps to follow up initial solicitations.

2. Selecting portions of the work to be performed by DBEs in order to increase the likelihood that the DBE goals will be achieved. This includes, where appropriate, breaking out Contract work items into economically feasible units (for example, smaller tasks or quantities) to facilitate DBE participation, even when the Contractor might otherwise prefer to perform these work items with its own forces. This may include, where possible, establishing flexible timeframes for performance and delivery schedules in a manner that encourages and facilitates DBE participation.

3. Providing interested DBEs with detailed information about the plans, specifications, and requirements of the Contract in a timely manner to assist them in responding to a solicitation with their offer for the subcontract. Attempt to contact all potential subcontractors on the same day and use similar methods to contact them;

4. Negotiating in good faith with interested DBEs. Make a portion of the work available to DBE subcontractors and suppliers and select those portions of the work or material needs consistent with the available DBE subcontractors and suppliers, so as to facilitate DBE participation. Evidence of such negotiation includes the names, addresses, and telephone numbers of DBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting; and evidence as to why additional Agreements could not be reached for DBEs to perform the work.

Consider a number of factors in negotiating with subcontractors, including DBE subcontractors. Take a firm’s price and capabilities as well as Contract goals into consideration. The fact that there may be some additional costs involved in finding and using DBEs is not in itself sufficient reason for failure to meet the contract DBE goal, as long as such costs are reasonable. The ability or desire of a Contractor to perform the work of a Contract with its own organization does not relieve the responsibility to make good faith efforts. Contractors are not, however, required to accept higher quotes from DBEs if the price difference is excessive or unreasonable.

5. Not rejecting DBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities. The contractor’s standing within its industry, membership in specific groups, organizations, or associations and political or social affiliations (for example union vs. non-union status) are not legitimate causes for the rejection or non-solicitation of bids in the Contractor’s efforts to meet the Contract DBE goal. Another practice considered an insufficient good faith effort is the rejection of the DBE because its quotation for the work was not the lowest received. However, nothing in this paragraph shall be construed to require the Contractor to accept unreasonable quotes in order to satisfy the Contract DBE goal.

Inability to find a replacement DBE at the original price is not alone sufficient to support a finding that good faith efforts have been made to replace the original DBE. The fact that the Contractor has the ability and/or desire to perform the contract work with its own forces does not relieve the Contractor of the obligation to make good faith efforts to find a replacement DBE, and it is not a sound basis for rejecting a prospective replacement DBE’s reasonable quote.

Attempt, wherever possible, to negotiate prices with potential subcontractors which submitted higher than acceptable price quotes.

Keep a record of efforts, including the names of businesses contacted and the means and results of such contacts.

6. Making efforts to assist interested DBEs in obtaining bonding, lines of credit, or insurance as required by the recipient or Contractor.

7. Making efforts to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.

8. Effectively using the services of available minority/women community organizations; minority/women contractors’ groups; local, State, and Federal minority/women business assistance offices; and other
organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of DBEs.

If the Contractor fails to meet the Contract DBE goal, they must submit documented evidence of good faith effort(s) with the CR-268 final DBE Report to the DCR/AA for review and approval. Submittal of such information does not imply DCR/AA approval. The Department’s DCR/AA has sole authority to determine whether the Contractor met the Contract DBE goal or made adequate good faith efforts to do so. If the DCR/AA determines that the Contractor has failed to meet the Contract DBE goal or made adequate good faith effort to do so, the Department will follow Section 105.

J. Submission of Affirmative Action Program

Contractors, subcontractors and professional service firms performing work for the Department are required to submit their company’s Affirmative Action Program annually to the DCR/AA. Contractors must have an approved Affirmative Action Program on file in the DCR/AA no later than seven (7) State business days after the date of bid opening. No recommendations to award will be made without an approved Affirmative Action Program on file in the DCR/AA.

The Annual Affirmative Action Program will include, but is not limited to the following:

2. Copy of document designating the company’s corporate EEO Officer, including the name, address and contact telephone number for the officer.
3. Copy of the company’s EEO Policy Statement.
4. Copy of the company’s Sexual Harassment Policy.
5. The name of the company’s DBE Liaison Officer to administer the firm’s Disadvantaged Business Program.
6. DBE Affirmative Action Plan which is an explanation of affirmative action methods intended to be used to seek out and consider DBEs as subcontractors, material suppliers or equipment lessors. This refers to the Contractor’s ongoing responsibility, i.e., Disadvantaged Business Enterprise/Affirmative Action activities after the award of the Contract and for the duration of the Contract.

K. DBE Liaison Officer. Designate a DBE Liaison Officer who shall be responsible for the administration of your DBE program in accordance with the Contract, and ensuring that the Contractor complies with all provisions of 49 CFR Part 26.

L. Consent by Department to Subletting. The Department will not approve any subcontract proposed by the Contractor unless and until said Contractor has complied with the terms of the Contract.

M. Conciliation. Allegations of breach of any obligation contained in these DBE provisions and guidelines, will be investigated by the DCR/AA, the Federal Highway Administration and/or the USDOT.

N. Documentation

1. Requiring of Information. The Department or the Federal funding agencies may at any time require information as specified in Section 107 and deemed necessary in the judgment of the Department to ascertain the compliance of any Bidder, Contractor or subcontractor with the terms of the Contract.

2. Records and Reports. The Contractor, subcontractors and other sub-recipients will keep such records as are necessary to determine compliance with its Disadvantaged Business Enterprise Utilization obligations. These records kept will be designed to indicate:

   a. The names of DBE contractors, subcontractors, transaction expeditors and material suppliers contacted for work on the Contract, including when and how contacted, and the specific Contract work items and other information provided to each.
   b. Work, services and materials which are not performed or supplied by the Contractor.
   c. The actual dollar value of work subcontracted and awarded to DBEs, including specific Contract work items and cost of each work item.
   d. The progress being made and efforts taken in seeking out and utilizing DBEs to include: solicitations, specific Contract work items and the quotes and bids regarding those specific Contract work items, supplies, leases, or other contract items, etc.
   e. Detailed written documentation of all correspondence, contacts, telephone calls, etc., including names and dates/times, to obtain the services of DBEs on the Contract.
f. Records of all DBEs and non-DBEs who have submitted quotes/bids to the Contractor on the Contract.
g. Monthly reports required for submission to the Department, hiring agreements, subcontracts, lease agreements, supply tickets and other records documenting DBE utilization on the Contract.
h. Documentation outlining EEO workforce information for the Contract.
i. Documentation outlining EEO and Affirmative Action efforts made in the administration and performance of the Contract.

3. Submission of Reports, Forms and Documentation. Submit reports, forms and documentation, as required by the Department, on those contracts and other business transactions executed with DBEs in such form and manner as may be prescribed by the Department. Failure to submit the required forms, reports or other documentation as required may result in payment being delayed or withheld as specified in Section 105, assessing sanctions, or termination of the contract as specified in Section 108. Submission of falsified forms, reports or other required documentation may result in termination of the Contract as specified in Section 108, investigation by the Department’s Inspector General, and prosecution by the State Attorney General’s Office.

4. Maintaining Records. All records must be maintained for a period of three (3) years following acceptance of final payment and will be available for inspection by the Department, or the Federal funding agencies.

O. Prompt Payment to Subcontractors. On Federal aid projects, payment to subcontractors, equipment lessors, suppliers and manufacturers is made in accordance with Section 109.

P. Non-Compliance. Failure by the Contractor to comply with the DBE program, rules and regulations of 49 CFR Part 26 in the administration of the Contract may result in denial or limit of credit toward the Contract DBE goal, payment being delayed or withheld as specified in Section 105, assessing sanctions, liquidated damages as specified in Section 108, default as specified in Section 108, debarment, or termination of the Contract as specified in Section 108. The Contractor may further be declared ineligible for future Department contracts.
FEDERAL AID PROJECT ATTACHMENT 1

EMERGING SMALL BUSINESS ENTERPRISE UTILIZATION

A. Utilization of Emerging Small Business Enterprises as Subcontractors, Transaction Expeditors, Regular Dealers, Manufacturers and Truckers. The Department advises the Contractor and subcontractors that failure to carry out the requirements in this attachment constitutes a material breach of Contract and, after the notification of the applicable Federal agency, may result in termination of the agreement or Contract by the Department or such remedy as the Department deems appropriate. Requirements set forth in this section shall also be physically included in all subcontracts in accordance with USDOT requirements.

B. Policy. It is the policy of the Department that Emerging Small Business Enterprises, as defined in Section III below, shall have an equal opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this agreement. In furtherance of this policy the Department has established an Emerging Small Business Enterprise Program. This program is designed to promote participation and shared economic opportunity by smaller firms who qualify as ESBEs in NJDOT contracts and is undertaken pursuant to the authority contained in 49 CFR Part 26 et seq.

C. Definitions

1. Emerging Small Business Enterprise (ESBE). A for-profit small business concern classified as a small business pursuant to the appropriate Small Business Administration regulations:
   a. That is at least 51 percent owned by one or more individuals who are economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and
   b. Whose management and daily business operations are controlled by one or more of the economically disadvantaged individuals who own it, and who do not exceed the personal net worth criteria established in 49 CFR Part 26.

   NOTE: DBEs automatically qualify as ESBEs.

2. Owned and Controlled. Defined as: that at least 51% of the ownership interests as well as the management and daily business operations of the firm reside in individuals whose personal net worth does not exceed the requirements established in 49 CFR, Part 26.

3. Commercially Useful Function (CUF). An ESBE performs a commercially useful function when it is responsible for execution of a distinct element of the work of a contract and carrying out its responsibility by actually performing, managing and supervising the work involved. To perform a commercially useful function, the ESBE must also be responsible, with respect to materials and supplies used on the contract, for preparing the estimate, negotiating price, determining quality and quantity, ordering the material, arranging delivery, installing, (where applicable), and paying for the material and supplies itself for the project.

4. Transaction expeditor (broker). An ESBE who arranges or expedites transactions and who arranges for material drop shipments.

5. ESBE regular dealer. A firm that must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question. In addition, a regular dealer must own, operate or maintain a store, warehouse, or other establishment in which the materials, supplies, articles or equipment required under this Contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.

6. ESBE manufacturer. A firm that operates or maintains a factory or establishment that produces on the premises, the materials, supplies, articles, or equipment required for the Contract.

7. Good faith effort (GFE). Efforts to achieve an ESBE goal or other requirement of the ESBE Program and of 49 CFR Part 26, which by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program requirement. Efforts to include firms not certified as ESBEs in the state where the contract is being let are consequently not good faith efforts to meet an ESBE contract goal.

8. Affirmative Action Plan. An outline of the steps a contractor or subcontractor will implement to achieve equal employment opportunity and affirmative action and/or to correct its equal employment and affirmative action program deficiencies.
D **Compliance.** The Contractor is responsible for compliance as specified in Section 105.

E. **Contractor ESBE Obligations.** Ensure that ESBEs have an equal opportunity to receive and participate in contracts and subcontracts financed in whole or in part with Federal funds in performing work with the Department. Take all necessary and reasonable steps in accordance with 49 CFR Part 26 and the Contract to ensure that ESBEs are given equal opportunity to compete for and perform on the Department’s Federal aid projects. Do not discriminate in the award and performance of any Contract obligation including, but not limited to, performance of obligations on USDOT assisted contracts, as specified in Section 107.

1. **Post Award Obligations**
   a. Give ESBEs equal consideration with minority firms in negotiation for any subcontracts, purchase orders or leases.
   b. Attempt to obtain qualified ESBEs to perform the work. A directory of certified Emerging Small Business Enterprise firms may be found in the State of New Jersey Emerging Small Business (ESBE) Program online directory at: [http://50.62.131.238/Productions/NJDOT_ESBE/biz_esbe/](http://50.62.131.238/Productions/NJDOT_ESBE/biz_esbe/)

2. **Affirmative Action after Award of the Contract**
   a. **Subletting.** If at any time following the award of the Contract, the Contractor intends to sublet any portion(s) of the work under said Contract, or intends to purchase material or lease equipment not contemplated during preparation of bids, take affirmative action:
      (1) Notify the RE, in writing, of the type and approximate value of the work which the Contractor intends to accomplish by such subcontract, purchase order or lease.
      (2) Submit the Post-Award Minority Certification (Part IV of the DC-18A Request for approval to Sublet on Projects Utilizing the 2007Specifications Form) to the Regional Supervising Engineer with the application to sublet, or prior to purchasing material or leasing equipment. Obtain Post Award Minority Certifications from the RE.
      (3) Efforts made to identify and retain an ESBE as a replacement subcontractor, lower tier subcontractor, transaction expeditor, regular dealer, supplier, manufacturer or trucker when the arrangements with the original ESBE prove unsuccessful, shall be followed as specified for DBE subcontractors as specified in Section 108. Work in the category concerned shall not begin until such approval is granted in writing by the Department.
      (4) Notification of an ESBE firm’s termination will be as specified in Section 108. Send notice in writing to the Department through the RE. Said termination notice will include the firm’s ethnic classification, whether the firm is an ESBE and the detailed reason(s) for termination.
   b. **Selection and Retention of Subcontractors.** Do not discriminate in the selection and retention of subcontractors, including procurement of materials and leases of equipment as specified in 108.01. Provide the RE with a listing of firms, organizations or enterprises solicited and those utilized as subcontractors on the proposed project. Such listing shall clearly delineate which firms are classified as ESBEs. Provide the RE with subcontract agreements for all subcontractors performing work on the Contract as specified in Section 108.
      (1) Efforts made to identify and retain an ESBE as a replacement subcontractor, lower tier subcontractor, transaction expeditor, regular dealer, supplier, manufacturer or trucker when the arrangements with the original ESBE prove unsuccessful, shall be submitted as specified in Section 108. Work in the category concerned shall not begin until such approval is granted in writing by the Department.
      (2) Notification of an ESBE firm’s termination will be as specified in Subsection 108.01. Send notice in writing to the Department through the RE. Said termination notice will include the firm’s ethnic classification, whether the firm is an ESBE and the detailed reason(s) for termination.
   c. **Meeting Contract ESBE Goal.** Demonstrate attainment toward meeting the Contract ESBE goal by reporting monthly, all ESBE participation, to the Department’s RE and DCR/AA Contract Compliance Unit using the CR-267 – Monthly ESBE Utilization Form. The form is due by the 5th of the month, and must list all ESBEs used on the Contract, the specific Contract work items each ESBE is performing, whether the ESBE is performing full or partial work on the items, and the amount paid to each ESBE each month. Failure to report the information, and accurately report it may result in payment being
delayed or withheld as specified in Section 105, assessing sanctions, or termination of the Contract as specified in Section 108.

d. **Termination, Substitution or Replacement of ESBEs.** Make good faith efforts to replace an ESBE that is terminated or has otherwise failed to complete its work on the Contract with another certified ESBE, to the extent needed to meet the Contract ESBE goal. Notify the DCR/AA immediately of the ESBEs inability or unwillingness to perform and provide reasonable documentation. Prior to termination, substitution or replacement of an ESBE subcontractor, lower tier subcontractor, transaction expediter, regular dealer, supplier, manufacturer or trucker, submit a Revised Form CR-266 to the Department naming the replacement ESBE firm(s), type of work performed, specific Contract work items, whether the ESBE is performing full or partial work on the items, dollar value and percent of total Contract for each ESBE subcontractor. Submit detailed written explanation of why each change is being made, including documented evidence of good faith effort(s) with the submission of the revised Form CR-266. Submit along with the Revised CR-266: 1) a completed Confirmation of ESBE Firm (Form CR-273) to demonstrate direct written confirmation from each ESBE firm participating on the Contract, confirming the kind and amount of work that was provided on the Contractor’s CR-266, and if applicable; 2) a completed ESBE Regular Dealer/Supplier Verification (Form CR-272) for all ESBE Regular Dealers/Suppliers listed on the Revised CR-266 form, and if applicable; 3) a completed ESBE Trucking Verification (Form CR-274) for all ESBE truckers listed on the Revised CR-266 form. Termination, substitution or replacement of ESBEs shall be made as specified in Section 108. Termination or replacement of ESBEs cannot be made without prior written approval of the Department as per 108.01.

e. **Submission of Good Faith Documentation.** If the Contractor is unable to meet the Contract goal for ESBE participation, submit to the DCR/AA for review and approval, documented evidence of good faith efforts along with the monthly CR-267 form. This submission must include written details addressing each of the good faith efforts outlined in the Contract. Submittal of such information does not imply DCR/AA approval.

F. **ESBE Goals for This Contract.** This Contract includes a goal of awarding _______ percentage of the Total Contract Price to subcontractors, transaction expeditors, regular dealers, manufacturers and truckers qualifying as ESBEs.

The Department’s DCR/AA has sole authority to determine whether the Contractor met the goal or made adequate good faith efforts to do so. If the DCR/AA determines that the Contractor has failed to meet the Contract ESBE goal or made adequate good faith efforts to do so, the Department will follow Section 105.

G. **Counting ESBE Participation.**

1. Each ESBE is subject to a certification procedure to ensure its ESBE eligibility status prior to the award of the Contract. All ESBEs working on the Contract must be certified ESBEs. To receive ESBE credit toward meeting a contract goal in the context of the contract award process, an ESBE firm must be certified before the due date for bids or offers on the Contract. There may be situations after the award of the Contract, however, in which it is appropriate to count ESBE credit for the use of an ESBE subcontractor certified after the contract is executed. To be eligible to obtain ESBE credit, an ESBE subcontractor must be certified before the subcontract on which it is working is executed.

2. The Department determines the percentage of ESBE participation that will be counted toward the Contract ESBE goal in accordance with 49 C.F.R. Part 26.55 et seq.

3. The Contractor will count ESBE participation toward the Contract ESBE goal only the value of the work actually performed by a certified ESBE and only if the ESBE performs a commercially useful function in the work of a contract in accordance with 49 CFR, Subpart C, Part 26.55(c) and the Contract.

4. The Department will count ESBE participation for ESBE trucking firms in accordance with 49 CFR Part 26.55 et seq. The ESBE can count the entire value of services performed by ESBE trucks. The ESBE can count the value of non-ESBE trucking services up to the value of services performed by ESBE trucks used on the Contract. ESBE participation can be counted for the value of services of non-ESBE trucks that exceed the value of the services performed by ESBE trucks only in the amount of the fee or commission a ESBE receives as a result of the lease arrangement.

5. The Department will count ESBE participation for ESBE regular dealers, manufacturers and transaction expeditors in accordance with 49 C.F.R Part 26.55 et seq. Transaction expeditors/brokers will not receive ESBE credit for any portion of the cost of the materials and supplies themselves toward the Contract ESBE
goal. For brokers, only the ESBE’s fee or commission, and no part of the cost of the goods, count towards ESBE goals. The Department will determine if the fees are reasonable and not excessive as compared with fees customarily allowed for similar services. If a certified firm acts as a “regular dealer” in a given transaction, it is awarded ESBE credit equivalent to 60 percent of the value of the items it supplies on that contract. This credit is awarded in recognition of the value the ESBE adds to transaction and the risks that it takes.

6. If the Contractor is a certified ESBE, payments made to the Contractor for work performed by the Contractor will be applied toward the Contract ESBE goal. Payments made to the Contractor for work performed by non-ESBEs will not be applied toward the Contract ESBE goal.

7. When an ESBE subcontractor sublets part of the work of its contract to another firm, the value of the subcontract work may be counted towards the Contract ESBE goal only if the subcontractor itself is a certified ESBE. Work that an ESBE subcontractor subcontracts to a non-ESBE firm, cannot be counted towards the Contract ESBE goal.

H. Commercially Useful Function.

1. Performance of Work. The ESBE must perform the work with their own permanent employees, or employees recruited through traditional recruitment and/or employment centers. ESBEs must employ and control their own workforce, and cannot share employees with the Contractor, other subcontractors on the present project, or the renter-lessee of equipment being used on the present project. The ESBE firm must be responsible for all payroll and labor compliance requirements for all of their employees performing work on the Contract. Direct or indirect payments by any other contractor are not allowed.

2. Managing Work. The ESBE must manage the work themselves including the scheduling of work operations, ordering of equipment and materials, hiring/firing of employees, including supervisory employees, and preparing and submitting certified payrolls. The ESBE must supervise their portion of daily work operations of the project. With respect to materials and supplies used on the Contract, the ESBE must be responsible for preparing the estimate, negotiating price, determining quantity and quality, ordering the material, arranging delivery, installing, (where applicable), and paying for the material and supplies for the project.

3. Responsibility of Work. An ESBE must perform or exercise responsibility for at least 30 percent of the total cost of its contract with its own workforce. The ESBE must not subcontract a greater portion of the work of a contract than would be expected on the basis of normal industry practice for the type of work involved.

4. Equipment of ESBE. The ESBE must perform the work stated in the subcontract with their own equipment, whether owned or leased and operated on a long term agreement, not an ad hoc or contract by contract agreement. The equipment must be owned by the ESBE firm, or leased/rented from traditional equipment lease/rental sources. The equipment will not belong to the Contractor, any other subcontractor or lower tier subcontractors on the current project, or supplier of materials being installed by the ESBE firm.

5. Lease of Equipment. An ESBE firm may lease specialized equipment from a contractor, but not from the Contractor, if it is consistent with normal industry practices and at rates competitive for the area. Rental agreements must be for short periods of time, specify the terms of the agreement and involve specialty equipment to be used at the job site. The lease may allow the operator to remain on the lessor’s payroll, if it is the generally accepted industry practice but the operation of the equipment must be subject to full control by the ESBE. The ESBE shall provide the operator for non-specialized equipment, and is responsible for all payroll and labor compliance requirements. A separate lease agreement is required.

6. ESBE Trucking. ESBE trucking companies must perform a commercially useful function in accordance with 49 CFR Part 26.55 et seq. Constrained arrangements for the purpose of meeting ESBE goals will not be allowed. The ESBE must be responsible for the management and supervision of the entire trucking operation on a contract-by-contract basis, and must own and operate at least one fully, licensed, insured and operational truck used on the Contract.

The ESBE trucking firm is not permitted to obtain trucks from the Contractor to perform work on the project. The ESBE may lease trucks from a subcontractor working on the project, provided the trucks are obtained from the subcontractor prior to the project letting. The ESBE may also lease trucks from non-ESBEs and owner –operators. Bona fide lease agreements must be for the length of time needed by the ESBE on the Contract and signed by both the ESBE and the firm(s), either certified ESBE or non-ESBE, from which the trucks will be leased. Leases must indicate that the ESBE has exclusive use and control over the truck. As per 49 CFR Part 26.55(d)(7), all leased trucks, including non-ESBE trucks must display the name and USDOT identification number issued for interstate commerce, of the ESBE firm on the outside of the truck.
ESBE firms are expected to use the same trucks for ESBE credit on all projects so use of leased vehicles on a project-by-project basis is not permitted.

The Contractor shall have signed Hiring Agreements. Submit copies of these signed Hiring Agreements, and copies of all signed lease agreements to the RE prior to the trucking firm’s commencing work on the project. Prior to the ESBE trucking firm beginning work on the Contract, ESBE Trucking firms will be required to complete the ESBE Trucking Verification (Form CR-274). The ESBE and Contractor must sign the form and the Contractor submit the original CR-274 form directly to the Department’s RE, with a copy submitted to the DCR/AA. The Contractor must prepare, sign and submit with the CR-267, a Monthly Trucking Verification (Form CR-271), identifying each truck owner, ESBE Certification number, company name and address, truck number, and commission or amount paid for all ESBE and non-ESBE truckers performing work on the project. Also, submit the form to the Department as per Section E of this Special Provision for the DCR/AA’s review, approval and determination of credit toward the Contract goal. Failure to submit the forms may result in denial or limit of credit toward the Contract ESBE goal, payment being delayed or withheld as specified in Section 105, assessing sanctions or termination of the Contract as specified in Section 108.

7. **ESBE Regular Dealers.** ESBE regular dealers must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question. In addition, a regular dealer must own, operate or maintain a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under this contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.

When the Contractor seeks credit toward the Contract ESBE goal using ESBE regular dealers, the ESBE Regular Dealer/Supplier Verification (Form CR-272) must be completed and signed by the ESBE regular dealer and then signed by the Contractor. Submit the form to the Department as per Section E of this Special Provision for the DCR/AA review, approval and determination of credit toward the Contract goal.

8. **ESBE Manufacturer.** ESBE manufacturers must be a firm that operates or maintains a factory or establishment that produces, on the premises, the materials, supplies, articles, or equipment required for this Contract.

9. The Contractor shall not use an ESBE solely for the purpose of acting as an extra participant in a transaction, a contract or the Contract through which funds are passed in order to obtain the appearance of ESBE participation.

I. **Good Faith Effort.** To demonstrate good faith efforts to meet the Contract ESBE goal, a Contractor shall, on an ongoing basis, document the steps it takes to obtain ESBE participation in accordance with 49 CFR Part 26.53 and Appendix A, including but not limited to the following:

1. Conducting market research to identify small business contractors and suppliers and soliciting through all reasonable and available means the interest of all certified ESBEs that have the capability to perform the work of the Contract. This may include attendance at pre-bid and business matchmaking meetings and events, advertising and/or written notices, posting of Notices of Sources Sought and/or Requests for Proposals, written notices or emails to all ESBEs listed in the State’s directory of transportation firms that specialize in the areas of work desired (as noted in the ESBE directory) and which are located in the area or surrounding areas of the project.

Solicit this interest as early in the acquisition process as practicable to allow the ESBEs to respond to the solicitation and submit a timely offer for the subcontract. Determine with certainty if the ESBEs are interested by taking appropriate steps to follow up initial solicitations.

2. Selecting portions of the work to be performed by ESBEs in order to increase the likelihood that the ESBE goals will be achieved. This includes, where appropriate, breaking out Contract work items into economically feasible units (for example, smaller tasks or quantities) to facilitate ESBE participation, even when the Contractor might otherwise prefer to perform these work items with its own forces. This may include, where possible, establishing flexible timeframes for performance and delivery schedules in a manner that encourages and facilitates ESBE participation.

3. Providing interested ESBEs with detailed information about the plans, specifications, and requirements of the Contract in a timely manner to assist them in responding to a solicitation with their offer for the subcontract. Attempt to contact all potential subcontractors on the same day and use similar methods to contact them;
4. Negotiating in good faith with interested ESBEs. Make a portion of the work available to ESBE subcontractors and suppliers and select those portions of the work or material needs consistent with the available ESBE subcontractors and suppliers, so as to facilitate ESBE participation. Evidence of such negotiation includes the names, addresses, and telephone numbers of ESBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting; and evidence as to why additional Agreements could not be reached for ESBEs to perform the work.

Consider a number of factors in negotiating with subcontractors, including ESBE subcontractors. Take a firm’s price and capabilities as well as Contract goals into consideration. The fact that there may be some additional costs involved in finding and using ESBEs is not in itself sufficient reason for failure to meet the Contract ESBE goal, as long as such costs are reasonable. The ability or desire of a Contractor to perform the work of a Contract with its own organization does not relieve the responsibility to make good faith efforts. Contractors are not, however, required to accept higher quotes from ESBEs if the price difference is excessive or unreasonable.

5. Not rejecting ESBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities. The contractor’s standing within its industry, membership in specific groups, organizations, or associations and political or social affiliations (for example union vs. non-union status) are not legitimate causes for the rejection or non-solicitation of bids in the Contractor’s efforts to meet the Contract ESBE goal. Another practice considered an insufficient good faith effort is the rejection of the ESBE because its quotation for the work was not the lowest received. However, nothing in this paragraph shall be construed to require the Bidder to accept unreasonable quotes in order to satisfy the Contract ESBE goal.

Inability to find a replacement ESBE at the original price is not alone sufficient to support a finding that good faith efforts have been made to replace the original ESBE. The fact that the Contractor has the ability and/or desire to perform the contract work with its own forces does not relieve the Contractor of the obligation to make good faith efforts to find a replacement ESBE, and it is not a sound basis for rejecting a prospective replacement ESBEs reasonable quote.

Attempt, wherever possible, to negotiate prices with potential subcontractors which submitted higher than acceptable price quotes.

Keep a record of efforts, including the names of businesses contacted and the means and results of such contacts.

6. Making efforts to assist interested ESBEs in obtaining bonding, lines of credit, or insurance as required by the recipient or Contractor.

7. Making efforts to assist interested ESBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.

8. Effectively using the services of available minority/women community organizations; minority/women contractors’ groups; local, State, and Federal minority/women business assistance offices; and other organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of ESBEs.

If the Contractor fails to meet the Contract ESBE goal, they must submit documented evidence of good faith effort(s) with the CR-268 final ESBE Report to the DCR/AA for review and approval. Submittal of such information does not imply DCR/AA approval. The Department’s DCR/AA has sole authority to determine whether the Contractor met the goal or made adequate good faith efforts to do so. If the DCR/AA determines that the Contractor has failed to meet the Contract ESBE goal or made adequate good faith effort to do so, the Department will follow Section 105.

J. Submission of Affirmative Action Program

Contractors, subcontractors and professional service firms performing work for the Department are required to submit their company’s Affirmative Action Program annually to the DCR/AA. Contractors must have an approved Affirmative Action Program on file in the DCR/AA no later than seven (7) State business days after the date of bid opening. No recommendations to award will be made without an approved Affirmative Action Program on file in the DCR/AA.

The Annual Affirmative Action Program will include, but is not limited to the following:
2. Copy of document designating the company’s corporate EEO Officer, including the name, address and contact telephone number for the officer.
3. Copy of the company’s EEO Policy Statement.
4. Copy of the company’s Sexual Harassment Policy.
5. The name of the company’s ESBE Liaison Officer to administer the firm’s Emerging Small Business Program.
6. ESBE Affirmative Action Plan which is an explanation of affirmative action methods intended to be used to seek out and consider ESBEs as subcontractors, material suppliers or equipment lessors. This refers to the Contractor’s ongoing responsibility, i.e., Emerging Small Business Enterprise/Affirmative Action activities after the award of the Contract and for the duration of the Contract.

K. ESBE Liaison Officer. Designate an ESBE Liaison Officer who shall be responsible for the administration if your ESBE program in accordance with the Contract, and ensuring that the Contractor complies with all provisions of 49 CFR Part 26.

L. Consent by Department to Subletting. The Department will not approve any subcontract proposed by the Contractor unless and until said Contractor has complied with the terms of the Contract.

M. Conciliation. Allegations of breach of any obligation contained in these ESBE provisions will be investigated by the DCR/AA, the Federal Highway Administration and/or the USDOT.

N. Documentation

1. Requiring of Information. The Department or the Federal funding agencies may at any time require information as specified in Section 107 and deemed necessary in the judgment of the Department to ascertain the compliance of any Bidder, Contractor or subcontractor with the terms of the Contract.

2. Records and Reports. The Contractor, subcontractors and other sub-recipients will keep such records as are necessary to determine compliance with its Emerging Small Business Enterprise Utilization obligations. These records kept will be designed to indicate:
   a. The names of ESBE contractors, subcontractors, equipment lessors and material suppliers contacted for work on the Contract, including when and how contacted, and the specific Contract work items and other information provided to each.
   b. Work, services and materials which are not performed or supplied by the Contractor.
   c. The actual dollar value of work subcontracted and awarded to ESBEs, including specific Contract work items and cost of each work item.
   d. The progress made and efforts taken in seeking out and utilizing ESBEs. This includes solicitations, specific Contract work items and the quotes and bids regarding those specific Contract work items, supplies, leases, or other contract items.
   e. Detailed written documentation of all correspondence, contacts, telephone calls, including names and dates, to obtain the services of ESBEs on the Contract.
   f. Records of all ESBEs and non-ESBEs who have submitted quotes/bids to the Contractor on the Contract.
   g. Monthly reports required for submission to the Department, hiring agreements, subcontracts, lease agreements, supply tickets and other records documenting ESBE utilization on the Contract.
   h. Documentation outlining EEO workforce information for the Contract.
   i. Documentation outlining EEO and Affirmative Action efforts made in the administration and performance of the Contract.

3. Submission of Reports, Forms and Documentation. Submit reports, forms and documentation, as required by the Department, on those contracts and other business transactions executed with ESBEs in such form and manner as may be prescribed by the Department. Failure to submit the required forms, reports or other documentation as required may result in payment being delayed or withheld as specified in Section 105, assessing sanctions, or termination of the contract as specified in Section 108. Submission of falsified forms, reports or other required documentation may result in termination of the Contract as specified in Section 108, investigation by the Department’s Inspector General, and prosecution by the State Attorney General’s Office.

4. Maintaining Records. All records must be maintained for a period of three (3) years following acceptance of final payment and will be available for inspection by the Department, or the Federal funding agencies.
O. **Prompt Payment to Subcontractors.** On Federal aid projects, payment to subcontractors, equipment lessors, suppliers and manufacturers is made in accordance with Section 109.

P. **Non-Compliance.** Failure by the Contractor to comply with the ESBE program, rules, regulations of 49 CFR Part 26 and these provisions in the administration of the Contract may result in denial or limit of credit toward the Contract ESBE goal, payment being delayed or withheld as specified in Section 105, assessing sanctions, liquidated damages as specified in Section 108, default as specified in Section 108, debarment, or termination of the Contract as specified in Section 108. The Contractor may further be declared ineligible for future department contracts.
FEDERAL AID PROJECT ATTACHMENT 2

SPECIFIC EQUAL EMPLOYMENT OPPORTUNITY RESPONSIBILITIES ON NJDOT FEDERAL AID PROJECTS

(23 CFR, PART 230, SUBPART A, APPENDIX A TO SUBPART A - SPECIAL PROVISIONS)

The Contractor is obligated to comply with the policies, procedures and guidelines relative to the implementation of an Equal Employment Opportunity Program on Federal and Federal Aid Highway construction contracts, except for those contracts awarded under 23 U.S.C. 117, and to the preparation and submission of reports pursuant thereto as per 23 CFR, Part 230, Subpart A, Appendix A to Subpart A - Special Provisions.

A. General

1. Equal Employment Opportunity Requirements. Equal employment opportunity requirements not to discriminate and to take affirmative action to assure equal employment opportunity as required by Executive Order 11246 and Executive Order 11375 are set forth in Required Contract, Provisions (Form FHWA-1273 or 1316, as appropriate) and these Special Provisions which are imposed pursuant to 23 USC 140, as established by Section 22 of the Federal Aid Highway Act of 1968. The requirements set forth in the Contract constitute the specific affirmative action requirements for project activities under this Contract and supplement the equal employment opportunity requirements set forth in the Required Contract Provisions.

2. The Contractor will work with the State agencies and the Federal Government in carrying out Equal Employment Opportunity obligations and in their review of activities under the contract.

3. The Contractor, and all subcontractors holding subcontracts, not including material suppliers, of $10,000 or more, will comply with the following minimum specific requirement activities of Equal Employment Opportunity: (The equal employment opportunity requirements of Executive Order 11246, as set forth in Volume 6, Chapter 4, Section 1, Subsection 1 of the Federal-Aid Highway Program Manual, are applicable to material suppliers, as well as contractors and subcontractors.) The Contractor will include these requirements in every subcontract of $10,000 or more with such modification of language as is necessary to make them binding on the subcontractor.

B. Equal Employment Opportunity Policy.

The Contractor will accept as its operating policy the following statement which is designed to further the provisions of equal employment opportunity to all persons without regard to their race, color, religion, sex, or national origin, and to promote the full realization of equal employment opportunity through a positive continuing program:

“It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, sexual orientation, gender identity, color, national origin, age or disability. Such action shall include: 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, pre-apprenticeship, and/or on-the-job training.”

C. Equal Employment Opportunity Officer. The Contractor will designate and make known to the Department contracting officers an Equal Employment Opportunity Officer (hereinafter referred to as the EEO Officer) who will have the responsibility for and must be capable of effectively administering and promoting an active EEO contractor program and who must be assigned adequate authority and responsibility to do so.

D. Dissemination of Policy

1. Implementation. All members of the Contractor’s staff who are authorized to hire, supervise, promote, and discharge employees, or who recommended such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the Contractor’s equal employment opportunity policy and contractual responsibilities to provide equal employment opportunity in each grade and classification of employment. To ensure compliance with the above agreement, the following actions will be taken as a minimum:

   a. Initial Project Site Meeting. Conduct an initial project site meeting with key supervisory and office personnel before or at the start of work, and then not less than once every 6 months, at which time the
Contractor’s Equal Employment Opportunity policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer.

b. **EEO Obligations.** All new supervisory and office personnel will be given a thorough indoctrination by the EEO Officer or other knowledgeable company official covering all major aspects of the Contractor’s equal employment opportunity obligations within 30 days following their reporting for duty with the Contractor.

c. All personnel engaged in direct recruitment for the project will be instructed by the EEO Officer or appropriate company official in the Contractor’s procedures for locating and hiring minority and female employees.

2. Take the following actions to make the Contractor’s equal employment opportunity policy known to all employees, prospective employees and potential sources of employees, i.e., schools, employment agencies, labor unions (where appropriate), college placement officers, etc.:

a. Place notices and posters setting forth the Contractor’s equal employment opportunity policy in areas readily accessible to employees, applicants for employment and potential employees.

b. Bring the Contractor’s equal employment opportunity policy and the procedures to implement such policy to the attention of employees by means of meetings, employee handbooks, and/or other appropriate means.

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**E. Recruitment**

1. When advertising for employees, include in all advertisements for employees the notation: “An Equal Opportunity Employer”. Publish all such advertisements in newspapers or other publications having a large circulation among minorities and women in the area from which the project work force would normally be derived.

2. Unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minority and female applicants, including, but not limited to, State employment agencies, schools, colleges and minority-group organizations. To meet this requirement, the Contractor will, through their EEO Officer, identify sources of potential minority and female group employees, and establish procedures with such identified sources whereby minority and female group applicants may be referred to the Contractor for employment consideration.

3. In the event the Contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, he/she is expected to observe the provisions of that agreement to the extent that the system permits the Contractor’s compliance with the equal employment opportunity contract provisions. (The US Department of Labor has held that where implementation of such agreements have the effect of discriminating against minorities or women, or obligates the Contractor to do the same, such implementation violates Executive Order 11246, as amended).

4. Encourage present employees to refer minority and female applicants for employment by posting appropriate notices or bulletins in areas accessible to all such employees. In addition, information and procedures pertaining to the referral of applicants will be discussed with employees.

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**F. Personnel Actions.** Wages, working conditions and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age or disability. The following procedures shall be followed:

1. Conduct a project site inspection at the start of work, and periodically thereafter, to ensure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

2. Periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

3. Periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the Contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.

4. Promptly investigate all complaints of alleged discrimination made to the Contractor in connection with its obligations under this Contract, and will resolve or attempt to resolve such complaints, within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant,
corrective action shall include such other persons. Upon completion of each investigation, inform complainants of all their avenues of appeal.

G. Training and Promotion

1. Assist in locating, qualifying, and increasing the skills of minority and women who are applicants for employment or current employees.
2. Advise employees and applicants for employment of available training programs and entrance requirements for each.
3. Periodically review the training and promotion potential of minority and female employees and encourage eligible employees to apply for such training and promotion.

H. On-the-Job Training. The Contractor, as part of their equal employment opportunity affirmative action program, shall provide on-the-job training aimed at developing full journey people in the type of craft or job classification involved on the project.

1. Apprenticeship and Training Programs

The minimum length and type of training for each position will be established in the training program selected by the Contractor and approved by the Department and the Federal Highway Administration. The Department will approve a program if it is reasonably calculated to meet the equal employment opportunity obligations of the Contractor and to qualify the average apprentice or trainee for journeyperson status in the craft concerned by the end of the training period.

Apprenticeship programs registered with the US Department of Labor, Bureau of Apprenticeship and Training, (BAT) or with a State apprenticeship agency recognized by USDOL BAT and training programs approved but not necessarily sponsored by the US Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training shall also be considered acceptable provided such programs are being administered in a manner consistent with the equal employment obligations of Federal-aid highway contracts. Approval or acceptance of a training program shall be obtained from the DCR/AA prior to commencing work in the classifications covered by the Contractor’s training program. The Division will review guidelines developed by the Contractor for approval or disapproval in accordance with the Training Guideline Approval Process described in the “Revised Standard Training Guidelines”. The Division will also review existing guidelines for revision based on the same process.

It is the intention of these provisions that training be provided in construction crafts rather than clerk-typist or secretarial-type positions. Training is permitted in lower level management positions (e.g., timekeepers), where the training is oriented toward project site applications. Training in semi-skilled laborer positions is permitted provided that significant and meaningful training is available on the project site and approved by DCR/AA. Some offsite, classroom training (e.g., safety, first aid instruction) may be permitted as long as such training is an integral part of an approved training program and does not comprise a significant part of the overall training.

2. Contractor Submission and Department Approval of the Initial Training Program

At or after the preconstruction conference, and prior to the start of Work, submit a Training Program to the RE for review and comments prior to DCR/AA review and approval. The Contractor’s training program shall include:

a. Number of trainees or apprentices to be trained in all selected Training Positions,
b. Standard Program Hours for all positions,
c. Estimate of the Minimum Available Hours actually feasible on the project toward completion of the Standard Program Hours per position,
d. Training schedule of Estimated Start Dates for the apprentices or trainees, developed and coordinated with the project’s work progress schedule,
e. Training Guidelines for all positions, and
f. Training that will be provided by the Contractor and provided by Subcontractors.

The number of apprentices and trainees shall be distributed among the work classifications on the basis of the Contractor’s needs and the availability of journey people in the various crafts within a reasonable area of recruitment. Submit timely, revised Training Programs, as required throughout the project to ensure that
feasible and Maximum Available Training is provided. Maximum Available Training is defined as bringing each apprentice or trainee onto the project when work first becomes available in his/her craft and providing all available training until hours are no longer available.

3. Assignment of Training to Subcontractors

In the event that portions of the Contract work are subcontracted, determine how many, if any, of the apprentices or trainees are to be trained by subcontractors, provided, however, that the Contractor shall retain the primary responsibility for meeting the training requirements imposed by these Training Special Provisions. Ensure that these Training Special Provisions are made applicable to such subcontracts.

4. Reimbursement of the Contractor for Providing Training

The Contractor will be credited for each apprentice or trainee employed on the construction site who is currently enrolled or becomes enrolled in an approved program and will be reimbursed for such apprentices or trainees as provided hereinafter. Payment will be made under the pay item Trainees at the bid price in the Proposal per person-hour of training given an employee on this contract in accordance with an approved training program. If approved, payment will be made for training persons in excess of the number specified herein. This reimbursement will be made even though the Contractor receives additional training program funds from other sources, provided such other sources do not specifically prohibit the Contractor from receiving other reimbursement. Offsite, classroom training reimbursement may only be made to the Contractor when the company does one or more of the following and the apprentices or trainees are concurrently employed on a Federal-aid project: contributes to the cost of the training and/or provides instruction to apprentices or trainees or pays their wages during the offsite, classroom training (e.g., safety, first aid instruction) period.

Pay apprentices and trainees according to the project-specific New Jersey Department of Labor Prevailing Wage Rate Determination for the project. Trainees will be paid at least 60 percent of the appropriate minimum journeyman's rate specified in the Contract for the first half of the training period, 75 percent for the third quarter of the training period, and 90 percent for the last quarter of the training period, unless apprentices or trainees in an approved existing program are enrolled as trainees on this project. In that case, the appropriate rates approved by the Departments of Labor or Transportation in connection with the existing program shall apply to all trainees being trained for the same classification who are covered by this Training Special Provision.

I. Apprentice/Trainee Requirements of the Contract

The number of training positions will be________, where feasible, consisting of at least_______ APPRENTICES and ________TRAINEES. TRAINEE HOURS=__________.

Apprentices are defined as registered members of an approved apprenticeship program recognized by the United States Department of Labor (USDOL) Bureau of Apprenticeship and Training (BAT) or a New Jersey State apprenticeship agency recognized by USDOL BAT (e.g., New Jersey Department of Education). Graduates of the Pre-Apprenticeship Training Cooperative Program shall be classified as apprentices. Trainees are defined as skilled, semi-skilled or lower level management individuals receiving training per one of the approved NJDOT “Revised Standard Training Guidelines” (available from the DCR/AA).

Where feasible, assign at least 50% of the training positions to Skilled Crafts which include but are not limited to Carpenters, Dockbuilders, Electricians, Ironworkers and Operating Engineers.

1. Requirements for Recruitment, Selection and Approval of Apprentices and Trainees

Apprentices or trainees should be in their first year of apprenticeship or training. Interview and screen trainee candidates to determine if their actual work experience is equivalent to or exceeds that offered by the training program prior to submitting candidates on the Apprentice/Trainee Approval Memorandum (Form CR-1), via the RE, to the Division for review and approval or disapproval.

Training and upgrading of minorities (e.g., Blacks, Asians or Pacific Islanders, Native Americans or Alaskan Natives, Hispanics) and women toward journeyperson status is a primary objective of these Training Special Provisions. Accordingly, the Contractor shall make every effort to enroll minorities and women, by conducting systematic and direct recruitment through public and private sources likely to yield minority and female apprentices or trainees, to the extent that such persons are available within a reasonable area of
This training commitment is not intended, and shall not be used, to discriminate against any applicant for training, whether a member of a minority group or not.

No employee shall be employed as an apprentice or trainee in any position in which he or she has successfully completed a training course leading to journeyperson status or in which he or she has been employed as a journeyperson. The Contractor shall satisfy this requirement by including appropriate questions in the employment application or by other suitable means and by submitting an accurate and complete “Apprentice/Trainee Approval Memorandum” (Form CR-1) prior to the apprentice or trainee starting work on the project. Regardless of the methods used, the Contractor’s records should document the findings in each case.

Skilled craft trainees may complete up to 3,000 total training hours on Department projects, with an extension of an additional 1,000 hours permitted on a case-by-case basis. Semi-skilled and lower-level management trainees attain journeyperson status upon completion of a training guideline and may complete up to three (3) different positions.

2. Documentation Required to be Signed by Apprentices or Trainees, and provided to the Department

Prior to the apprentice/trainee starting work on the project, submit an accurate, complete and signed Apprentice/Trainee Approval Memorandum for each apprentice/trainee to the RE for review, and final approval by DCR/AA. Once the notice that said apprentice/trainee has been approved to work on the Contract, said apprentice/trainee may start work on the Contract. No credit will be given for apprentices/trainees prior to said apprentice/trainee being approved by DCR/AA.

At the start of training, provide the RE and each apprentice or trainee with an applicable “Training Guideline” and, at the conclusion of training, an accurate and complete “Training Certificate for Reporting Hours to NJDOT” (Form CR-3), showing hours of training satisfactorily completed.

Maintain and submit an accurate and complete “NJDOT Contractor’s 1409 Quarterly Training Report” (Form-CR-1409) to the RE within ten (10) days of the end of each training quarter (e.g., January 10, April 10, July 10, October 10); also provide a copy to each apprentice or trainee.

Maintain and submit accurate and complete “Biweekly Training Reports” (Form CR-2) to the RE, and each apprentice or trainee, as periodic reports documenting their performance under the Contract.

3. Determining Good Faith Compliance of Contract Apprentice/Trainee Program

Per the approved program or guideline, provide Maximum Available Training to apprentices and trainees by beginning their training as soon as feasible with the start of craft work utilizing the skill involved on the project construction site and by retaining them as long as training opportunities exist in their crafts or until their training program positions are completed.

Recall apprentices or trainees released due to reductions in force when the work scope permits and they are available to return. When they are unavailable to resume training on the project site, submit written proof of recall efforts and replacement candidates and/or positions in a timely manner. Do not terminate apprentices or trainees prior to completion of their training program positions without Department consultation and authorization. Apprentices or trainees are not required to be on board for the entire length of the Contract.

The Contractor shall have fulfilled the contractual responsibilities under these Training Special Provisions as specified in 23 CFR 230, Appendix B to Subpart A of Part 230 if the company has provided Acceptable Training to the number of apprentices or trainees specified in this contract and/or by providing the remaining hours required to complete training positions begun by apprentices or trainees on other projects. The number trained shall be determined on the basis of the total number enrolled on the Contract for a significant period.

Demonstrate all steps that have been taken in pursuance of enrolling minorities and women in the training program positions, prior to a determination as to whether the Contractor is in compliance with the Training Special Provisions of the Contract.

Submit to the RE written training program summaries at the 50% time and/or cost stage of the contract and also prior to project completion, describing all good faith efforts and particularly addressing Maximum Available Training for incomplete training positions, per the procedure found in the revised “Instructions for Implementing the Training Special Provisions”.

June 2017
4. Enforcement Measures and Contractor’s Rating

Payment will not be made if either the failure to provide the required training or the failure to hire the apprentice or trainee as a journeyperson is caused by the Contractor and evidences a lack of good faith on the part of the Contractor in meeting the requirements of the Contract.

Per established procedures and scheduled Contract Compliance Reviews, the Contractor’s performance will be rated and reviewed periodically by the Department.

Failure of a Contractor to comply with the Training Special Provisions of the Contract, and as specified in 23 CFR Part 230, Appendix B to Subpart A of Part 230, may result in the actions as set forth as specified in Section 105.

J. Unions. If the Contractor relies in whole or in part upon unions as a source of employees, use good faith efforts to obtain the cooperation of such unions to increase opportunities for minorities and women within the unions, and to effect such union referrals to the construction project. Actions by the Contractor, either directly or through a contractor’s association acting as agent, will include the procedures set forth below:

1. Use maximum effort to develop, in cooperation with the unions, joint training programs aimed at qualifying more minorities and women for union membership and increasing their skills in order for them to qualify for higher paying employment.
2. Use maximum effort to incorporate an equal employment opportunity clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age, or disability. 
3. Obtain information concerning the referral practices and policies of the labor unions except that to the extent such information is within the exclusive possession of the labor unions and such labor unions refuse to furnish this information to the Contractor, certify to the Department and set forth what efforts have been made to obtain this information. 
4. In the event the unions are unable to provide the Contractor with a reasonable flow of minority and female referrals within the time limit set forth in the collective bargaining agreement, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age or disability, making full efforts to obtain qualified and/or qualifiable minorities and women. (The US Department of Labor has held that it shall be no excuse that the union with which the Contractor has a collective bargaining agreement providing for exclusive referral failed to refer minority employees). In the event the union referral practice prevents the Contractor from meeting the obligations pursuant to Executive Order 11246, as amended, and these special provisions, such Contractor shall immediately notify the Department.

K. Subcontracting

1. Use maximum effort to solicit bids from and to utilize minority subcontractors or subcontractors with meaningful minority and female representation among their employees. The Contractor may use lists of minority-owned construction firms as issued by the Department.

L. Records and Reports

1. Maintain records necessary to determine compliance with the Contractor’s equal employment opportunity requirements. Documents will include the following:
   a. Number of minorities, non-minorities, and women employed in each work classification on the Contract.
   b. Progress and efforts being made in cooperation with unions to increase employment opportunities for minorities and women (applicable only to Contractors who rely in whole or in part on unions as a source of their work force).
   c. Progress and efforts being made in locating, hiring, training, qualifying, and upgrading minority and female employees, and
   d. Progress and efforts being made in securing the services of minority and female subcontractors or subcontractors with meaningful minority and female representation among their employees.
2. All such documents must be retained for a period of 3 years following completion of the Contract work and shall be available at reasonable times and places for inspection by authorized representatives of the Department and the Federal funding agencies.
FEDERAL AID PROJECT ATTACHMENT 3

REQUIREMENTS FOR AFFIRMATIVE ACTION TO ENSURE EQUAL EMPLOYMENT OPPORTUNITY ON NJDOT FEDERAL AID PROJECTS

(MINORITY AND WOMEN WORK EMPLOYMENT GOAL OBLIGATIONS)

A. Employment Goals.

The goals for minority and female participation, in the covered area, expressed in percentage terms for the Contractor’s aggregate work force in each trade, on all construction work are:

<table>
<thead>
<tr>
<th>County</th>
<th>Minority Participation Percent</th>
<th>Women Participation Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic</td>
<td>18.2</td>
<td>6.9</td>
</tr>
<tr>
<td>Bergen</td>
<td>15</td>
<td>6.9</td>
</tr>
<tr>
<td>Burlington</td>
<td>17.3</td>
<td>6.9</td>
</tr>
<tr>
<td>Camden</td>
<td>17.3</td>
<td>6.9</td>
</tr>
<tr>
<td>Cape May</td>
<td>14.5</td>
<td>6.9</td>
</tr>
<tr>
<td>Cumberland</td>
<td>16</td>
<td>6.9</td>
</tr>
<tr>
<td>Essex</td>
<td>17.3</td>
<td>6.9</td>
</tr>
<tr>
<td>Gloucester</td>
<td>17.3</td>
<td>6.9</td>
</tr>
<tr>
<td>Hudson</td>
<td>12.8</td>
<td>6.9</td>
</tr>
<tr>
<td>Hunterdon</td>
<td>17</td>
<td>6.9</td>
</tr>
<tr>
<td>Mercer</td>
<td>16.4</td>
<td>6.9</td>
</tr>
<tr>
<td>Middlesex</td>
<td>15</td>
<td>6.9</td>
</tr>
<tr>
<td>Monmouth</td>
<td>9.5</td>
<td>6.9</td>
</tr>
<tr>
<td>Morris</td>
<td>17.3</td>
<td>6.9</td>
</tr>
<tr>
<td>Ocean</td>
<td>17</td>
<td>6.9</td>
</tr>
<tr>
<td>Passaic</td>
<td>12.9</td>
<td>6.9</td>
</tr>
<tr>
<td>Salem</td>
<td>12.3</td>
<td>6.9</td>
</tr>
<tr>
<td>Somerset</td>
<td>17.3</td>
<td>6.9</td>
</tr>
<tr>
<td>Sussex</td>
<td>17</td>
<td>6.9</td>
</tr>
<tr>
<td>Union</td>
<td>17.3</td>
<td>6.9</td>
</tr>
<tr>
<td>Warren</td>
<td>1.6</td>
<td>6.9</td>
</tr>
</tbody>
</table>

These goals are applicable to all the Contractor’s construction work (whether or not it is Federal or Federally assisted) performed in the covered area. If the Contractor performs construction work in a geographical area located outside of the covered area, it shall apply the goals established for such geographical area where the work is actually performed. With regard to this second area, the Contractor also is subject to the goals for both its Federally involved and non-Federally involved construction.
The Contractor’s compliance with the Executive Order 11246 and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4(3)a, and its efforts to meet the goals. The hours of minority and female employment and training must be substantially uniform throughout the length of the Contract, and in each trade. Make a good faith effort to employ minorities and women evenly on each project. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for sole purpose of meeting the Contractor’s goals is a violation of the Contract, the Executive Order and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

If a project is located in more than one county, the minority work hour goal, only, will be determined by the county which serves as the primary source of hiring or, if workers are obtained almost equally from one or more counties, the single minority goal will be the average of the affected county goals.

B. Reporting Requirements.

1. Provide the Department with written notification in triplicate within 10 working days of award of any construction subcontract in excess of $10,000 at any tier for construction work under the contract resulting from this solicitation. The notification will list the name, address and telephone number of the subcontractor; employer identification number of the subcontractor; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the contract is to be performed.

2. Directly provide the Department with employment workforce data of the number and work hours of minority and non-minority group members and women employed in each work classification for the Contract. The Contractor, subcontractors, professional service firms and others working on the project must submit this information via a web-based application through the New Jersey portal, Vendor Workforce Reporting Manager. Instructions on how to complete Form CC-257R are provided within the web application. Instructions for registering and receiving the authentication code to access the web based application can be found at the Contractor Manpower Project Reporting CC-257R website at: http://www.state.nj.us/transportation/business/civilrights/pdf/cc257.pdf.

   a. On a monthly basis, submit Form CC-257R through the web based application within 10 days following the end of each reporting month.
   b. In addition to the above, submit a hard copy of the electronic Form CC-257R to the RE within 10 days following the end of each reporting month.
   c. Submit a copy of the confirmation e-mail of the successful submission of Monthly Employment Utilization Report to the RE within 10 days following the end of each reporting month.

3. All employment data must be accurate and consistent with the certified payroll records. The Contractor is responsible for ensuring compliance with these reporting requirements. Failure of the Contractor, subcontractors, professional service firms and others working on the Contract, to report monthly employment data may result in payments being delayed or withheld as per 105.01, or impact the Contractor’s prequalification rating with the Department.
FEDERAL AID PROJECT ATTACHMENT 4

FEDERAL EQUAL EMPLOYMENT OPPORTUNITY CONTRACT SPECIFICATIONS FOR NJDOT FEDERAL AID PROJECTS

(AS REQUIRED PER EXECUTIVE ORDER 11246 AS AMENDED BY EXECUTIVE ORDER 11375 AND IMPLEMENTING REGULATIONS AT 41 C.F.R. PART 60)

A. As used in these Specifications:
   1. Covered area means the County or Counties in which the Project is located.
   2. Director means Director, Office of Federal Contract Compliance Programs, United States Department of Labor or any person to whom the Director delegates authority.
   4. Minority includes:
      a. Black (a person having origins in any of the black African racial groups not of Hispanic origin);
      b. Hispanic (a person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race);
      c. Asian and Pacific Islander (a person having originals in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
      d. American Indian or Alaskan Native (a person having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participating or community identification).

B. Whenever the Contractor, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of $10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

C. Implement the specific affirmative action standards provided in paragraphs F1 through 16 of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered Construction Contractors performing construction work in geographical areas where they do not have a Federal or Federally assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed. The Contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

D. Neither the provisions of any collective bargaining agreement nor the failure by a union with whom the Contractor has a collective bargaining agreement to refer either minorities or women excuses the Contractor’s obligations under these Specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.

E. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the US Department of Labor.

F. Take specific affirmative action to ensure equal employment opportunity. The evaluation of the Contractor’s compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. Document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:
1. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor’s employees are assigned to work. Where possible, assign two or more women to each construction project. Specifically ensure that all foreman, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor’s obligation to maintain such a working environment with specific attention to minority or female individuals working at such sites or in such facilities.

2. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations’ responses.

3. Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred back to the Contractor, this shall be documented in the file with the reason therefore, along with whatever additional actions the Contractor may have taken.

4. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor’s efforts to meet its obligations.

5. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women including upgrading programs and apprenticeship and trainee programs relevant to the Contractor’s employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the source compiled under F2 above.

6. Disseminate the Contractor’s EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc. by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.

7. Review, at least annually, the company’s EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with on-site supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

8. Disseminate the Contractor’s EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor’s EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

9. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor’s recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

10. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of a Contractor’s work force.

11. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.
12. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

13. Ensure that seniority practices, job classifications, work assignments and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor’s obligations under these specifications are being carried out.

14. Ensure that all facilities and company activities are provided in a manner such that segregation on the basis of race, color, religion, sex, sexual orientation, gender identity, national origin cannot result. Do not require such segregated use by written or oral policies, nor tolerate such use by employee custom. Provide separate or single-user restrooms and necessary dressing or sleeping areas to assure privacy between sexes.

15. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

16. Conduct a review, at least annually, of all supervisors’ adherence to and performance under the Contractor’s EEO policies and affirmative action obligations.

G. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (F1 through 16). The efforts of a Contractor association, joint contractor union, Contractor-Community, or other similar group of which the Contractor is a member and participant may be asserted as fulfilling any one or more of its obligations under F1 through 16 of these Specifications provided that the Contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor’s minority and female work force participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor’s and failure of such a group to fulfill an obligation shall not be a defense for the Contractor’s noncompliance.

H. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women both minority and nonminority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).

I. Do not use the goals and timetables or affirmative action standards to discriminate against any person because of race, creed, color, national origin, age, ancestry, nationality, gender, disability, sex, affectional or sexual orientation, gender identity or expression, religion, and liability for military service.

J. Do not enter into any Subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

K. Carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspensions, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any Contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246 as amended.

L. Implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph F of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

M. Designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government and to keep records. Records shall at least include for each employee the name, address, telephone number, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (such as mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked
per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

N. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (such as those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

O. Failure of the Contractor or subcontractors to comply with the nondiscrimination provisions of the Contract may result in payment being delayed or withheld as specified in 105.01; default as specified in 108.14, liquidated damages as specified in 108.20, or termination of the Contract as specified in 108.15.02 pending corrective and appropriate measures taken by the Contractor to the satisfaction of the Department.
FEDERAL AID PROJECT ATTACHMENT 5

STATE OF NEW JERSEY MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE ON NJDOT FEDERAL AID PROJECTS


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

The Contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the Contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity 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 by the Department setting forth provisions of this nondiscrimination clause.

The Contractor or subcontractor, where applicable 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 age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The Contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The Contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer, pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

When hiring or scheduling workers in each construction trade, the Contractor or subcontractor agrees to make good faith efforts to employ minority and women workers in each construction trade consistent with the targeted employment goal prescribed by N.J.A.C. 17:27-7.2; provided, however, that the Dept. of LWD, Construction EEO Monitoring Program, may, in its discretion, exempt a contractor or subcontractor from compliance with the good faith procedures prescribed by the following provisions, A, B, and C, as long as the Dept. of LWD, Construction EEO Monitoring Program is satisfied that the Contractor or subcontractor is employing workers provided by a union which provides evidence, in accordance with standards prescribed by the Dept. of LWD, Construction EEO Monitoring Program, that its percentage of active “card carrying” members who are minority and women workers is equal to or greater than the targeted employment goal established in accordance with N.J.A.C. 17:27-7.2. The Contractor or subcontractor agrees that a good faith effort shall include compliance with the following procedures:

A. If the Contractor or subcontractor has a referral agreement or arrangement with a union for a construction trade, the Contractor or subcontractor shall, within three business days of the contract award, seek assurances from the union that it will cooperate with the Contractor or sub-contractor as it fulfills its affirmative action obligations under this contract and in accordance with the rules promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as supplemented and amended from time to time and the Americans with Disabilities Act. If the Contractor or subcontractor is unable to obtain said assurances from the construction trade union at least five business days prior to the commencement of construction work, the Contractor or sub-contractor agrees to afford equal employment opportunities minority and women workers directly, consistent with this chapter. If the Contractor's or subcontractor's prior experience with a construction trade union, regardless of whether the union has provided said assurances, indicates a significant possibility that the trade union will not refer sufficient minority and women workers consistent with affording equal employment opportunities as specified in this chapter, the Contractor or
subcontractor agrees to be prepared to provide such opportunities to minority and women workers directly, consistent with this chapter, by complying with the hiring or scheduling procedures prescribed under “B” below; and the Contractor or subcontractor further agrees to take said action immediately if it determines that the union is not referring minority and women workers consistent with the equal employment opportunity goals set forth in this chapter.

B. If good faith efforts to meet targeted employment goals have not or cannot be met for each construction trade by adhering to the procedures of “A” above, or if the contractor does not have a referral agreement or arrangement with a union for a construction trade, the Contractor or subcontractor agrees to take the following actions:

1. To notify the public agency compliance officer, the Dept. of LWD, Construction EEO Monitoring Program, and minority and women referral organizations listed by the Division pursuant to N.J.A.C. 17:27-5.3, of its workforce needs, and request referral of minority and women workers;
2. To notify any minority and women workers who have been listed with it as awaiting available vacancies;
3. Prior to commencement of work, to request that the local construction trade union refer minority and women workers to fill job openings, provided the Contractor or subcontractor has a referral agreement or arrangement with a union for the construction trade;
4. To leave standing requests for additional referral to minority and women workers with the local construction trade union, provided the Contractor or subcontractor has a referral agreement or arrangement with a union for a construction trade, the State Training and Employment Service and other approved referral sources in the area;
5. If it is necessary to lay off some of the workers in a given trade on the construction site, layoffs shall be conducted in compliance with the equal employment opportunity and non-discrimination standards set forth in this regulation, as well as with applicable Federal and State court decisions;
6. To adhere to the following procedure when minority and women workers apply or are referred to the contractor or subcontractor:
   a. The Contractor or subcontractor shall interview the referred minority or women worker.
   b. If said individuals have never previously received any document or certification signifying a level of qualification lower than that required in order to perform the work of the construction trade, the contractor or subcontractor shall in good faith determine the qualifications of such individuals. The Contractor or subcontractor shall hire or schedule those individuals who satisfy appropriate qualification standards in conformity with the equal employment opportunity and non-discrimination principles set forth in this chapter. However, a Contractor or subcontractor shall determine that the individual at least possesses the requisite skills, and experience recognized by a union, apprentice program or a referral agency, provided the referral agency is acceptable to the Dept. of LWD, Construction EEO Monitoring Program. If necessary, the Contractor or subcontractor shall hire or schedule minority and women workers who qualify as trainees pursuant to these rules. All of the requirements, however, are limited by the provisions of “C” below.
   c. The name of any interested women or minority individual shall be maintained on a waiting list, and shall be considered for employment as described in (i) above, whenever vacancies occur. At the request of the Dept. of LWD, Construction EEO Monitoring Program, the Contractor or subcontractor shall provide evidence of its good faith efforts to employ women and minorities from the list to fill vacancies.
   d. If, for any reason, said Contractor or subcontractor determines that a minority individual or a woman is not qualified or if the individual qualifies as an advanced trainee or apprentice, the Contractor or subcontractor shall inform the individual in writing of the reasons for the determination, maintain a copy of the determination in its files, and send a copy to the public agency compliance officer and to the Dept. of LWD, Construction EEO Monitoring Program.
7. To keep a complete and accurate record of all requests made for the referral of workers in any trade covered by the contract, on forms made available by the Dept. of LWD, Construction EEO Monitoring Program and submitted promptly to the Dept. of LWD, Construction EEO Monitoring Program upon request.

C. The Contractor or subcontractor agrees that nothing contained in “B” above shall preclude the Contractor or subcontractor from complying with the union hiring hall or apprentice-ship policies in any applicable collective bargaining agreement or union hiring hall arrangement, and, where required by custom or agreement, it shall send journeymen and trainees to the union for referral, or to the apprenticeship program for admission, pursuant to such agreement or arrangement. However, where the practices of a union or apprenticeship program will result in the
exclusion of minorities and women or the failure to refer minorities and women consistent with the targeted county employment goal, the Contractor or subcontractor shall consider for employment persons referred pursuant to “B” above without regard to such agreement or arrangement; provided further, however, that the Contractor or subcontractor shall not be required to employ women and minority advanced trainees and trainees in numbers which result in the employment of advanced trainees and trainees as a percentage of the total workforce for the construction trade, which percentage significantly exceeds the apprentice to journey worker ratio specified in the applicable collective bargaining agreement, or in the absence of a collective bargaining agreement, exceeds the ratio established by practice in the area for said construction trade. Also, the Contractor or subcontractor agrees that, in implementing the procedures of “B” above, it shall, where applicable, employ minority and women workers residing within the geographical jurisdiction of the union.

After notification of award, but prior to signing a construction contract, the Contractor shall submit to the Department and the Department of LWD, Construction EEO Monitoring Program an initial project workforce report (Form AA-201) electronically provided to the Department by the Department of LWD, Construction EEO Monitoring Program, through its web-site, for distribution to and completion by the Contractor, in accordance with N.J.A.C. 17:27-7. The Contractor also agrees to submit a copy of the Monthly Project Workforce Report once a month thereafter for the duration of this contract to the Dept. of LWD, Construction EEO Monitoring Program, and to the Department.

The Contractor agrees to cooperate with the public agency in the payment of budgeted funds, as is necessary, for on-the-job and/or off-the-job programs for outreach and training of minorities and women.

D. The Contractor and its subcontractors shall furnish such reports or other documents to the Dept. of LWD, Construction EEO Monitoring Program as may be requested by the Dept. of LWD, Construction EEO Monitoring Program from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be re-quested by the Dept. of LWD, Construction EEO Monitoring Program for conducting a compliance investigation pursuant to N.J.A.C. 17:27-1.1 et seq.

It is the policy of the NJDOT that its contracts should create a work-force that reflects the diversity of the State of New Jersey. Therefore, contractors engaged by the NJDOT to perform under a construction contract shall put forth a good faith effort to engage in recruitment and employment practices that further the goal of fostering equal opportunities to minorities and women.

The Contractor must demonstrate to the NJDOT satisfaction that a good faith effort was made to ensure that minorities and women have been afforded equal opportunity to gain employment under the NJDOT contract with the Contractor. Payment may be withheld from a Contractor’s contract for failure to comply with these provisions.

Evidence of a “good faith effort” includes, but is not limited to:

1. The Contractor shall recruit prospective employees through the New Jersey Career Connections website, managed by the Department of Labor and Workforce Development, available online at: http://careerconnections.nj.gov/careerconnections/for_businesses.shtml
2. The Contractor shall keep specific records of its efforts, including records of all individuals interviewed and hired, including the specific numbers of minorities and women;
3. The Contractor shall actively solicit and shall provide the NJDOT with proof of solicitations for employment, including but not limited to advertisements in general circulation media, professional service publications and electronic media; and
4. The Contractor shall provide evidence of efforts described at 2 above to the NJDOT no less frequently than once every 12 months.
5. The Contractor shall comply with the requirements set forth at N.J.A.C. 17:27-1.1 et seq.
FEDERAL AID PROJECT ATTACHMENT 6

INVESTIGATING, REPORTING AND RESOLVING EMPLOYMENT DISCRIMINATION AND SEXUAL HARASSMENT COMPLAINTS ON NJDOT FEDERAL AID PROJECTS

The Contractor and subcontractors agrees to the following requirements in order to implement fully the nondiscrimination provisions of the Contract.

The Contractor agrees that in instances when it receives from any person working on the project site a verbal or written complaint of employment discrimination, prohibited under N.J.S.A. 10:5-1 et seq., 10:2-1 et seq., 42 U.S.C. 2000(d) et seq., 42 U.S.C. 2000 (e) et seq. and Executive Order 11246, it shall take the following actions:

A. Within one (1) working day commence an investigation of the complaint which shall include but not be limited to interviewing the complainant, the respondent, and all possible witnesses to the alleged act or acts of discrimination or sexual harassment.

B. Prepare and keep for its use and file a detailed written investigative report which includes the following information:
   1. Investigatory activities and findings.
   2. Dates and parties involved and activities involved in resolving the complaint.
   3. Resolution and corrective action taken if discrimination or sexual harassment is found to have taken place.
   4. A signed copy of resolution of complaint by complainant and Contractor.

In addition to keeping in its files the above-noted detailed written investigative report, the Contractor shall keep for possible future review by the Department all other records, including but not limited to, interview memos and statements.

C. Upon the request of the Department, provides to the Department within ten (10) calendar days a copy of its detailed written investigative report and all other records on the complaint investigation and resolution.

D. Take appropriate disciplinary action against any Contractor employee, official or agent who has committed acts of discrimination or sexual harassment against any contractor employee or person working on the project. If the person committing the discrimination is a subcontractor employee, then the Contractor is required to attempt to effectuate corrective and/or disciplinary action by the subcontractor in order to establish compliance with the Contract.

E. Take appropriate disciplinary action against any Contractor employee, official or agent who retaliates, coerces or intimidates any complaint and/or person who provides information or assistance to any investigation of complaints of discrimination or sexual harassment. If the person retaliating, coercing or intimidating a complainant or other person assisting an investigation is a subcontractor’s employee, then the Contractor is required to attempt to effectuate corrective and/or disciplinary action by the subcontractor in order to establish compliance with the Contract.

F. Ensure to the maximum extent possible that the privacy interests of all persons who give confidential information in aid of the Contractor’s employment discrimination investigation are protected.

In conjunction with the above requirements, the Contractor shall develop and post a written sexual harassment policy for its work force.

Failure by the Contractor and subcontractors to comply with the above requirements may be cause for the Department to institute against the Contractor any and all enforcement proceedings and/or sanctions authorized by the Contract or by State and/or Federal law.
FEDERAL AID PROJECT ATTACHMENT 7

PAYROLL REQUIREMENTS FOR NJDOT FEDERAL AID PROJECTS

A. Payroll Reports. Each Contractor and subcontractor shall furnish the RE with payroll reports for each week of contract work. Such reports shall be submitted within 10 days of the date of payment covered thereby and shall contain the following information:

1. Each employee’s full name and an individually identifying number, (e.g. the last four digits of the employee’s social security number) of each such employee.
2. The ethnicity and gender of each employee.
3. Each employee’s specific work classification (s).
4. Entries indicating each employee’s basis hourly wage rate(s) and, where applicable, the overtime hourly wage rate(s). Any fringe benefits paid to approved plans, funds or programs on behalf of the employee must be indicated. Any fringe benefits paid to the employee in cash must be indicated.
5. Each employee’s daily and weekly hours worked in each classification, including actual overtime hours worked (not adjusted).
6. Each employee’s gross wage.
7. The itemized deductions made.
8. The net wages paid.

B. Statement of Wages. Each Contractor or subcontractor shall furnish a statement each week to the RE with respect to the wages paid each of its employees engaged in contract work covered by the Copeland Act, as amended during the preceding weekly payroll period. The statement shall be executed by the Contractor or subcontractor or by an authorized officer or employee of the Contractor or subcontractors who supervises the payment of wages. Contractors and subcontractors must use the certification set forth on the Department’s CR-347, or any form with identical wording. Each payroll submitted must be accompanied by a signed “Statement of Compliance”.

C. Maintaining Records. Contractor and subcontractor shall maintain complete social security numbers and home address for employees. Government agencies are entitled to request or review all relevant payroll information, including social security numbers and addresses of employees. Contractors and subcontractors are required to provide such information upon request.

D. Lack of Compliance. Failure of the Contractor or subcontractor to comply with the payroll requirements may result in payment being delayed or withheld as specified in Section 105, default as specified in Section 108 or termination of the Contract as specified in Section 108.
FEDERAL AID PROJECT ATTACHMENT 8

FHWA-1273

REQUIRED CONTRACT PROVISIONS
FEDERAL-AID CONSTRUCTION CONTRACTS

I. General
II. Nondiscrimination
III. Nonsegregated Facilities
IV. Davis-Bacon and Related Act Provisions
V. Contract Work Hours and Safety Standards Act Provisions
VI. Subletting or Assigning the Contract
VII. Safety: Accident Prevention
VIII. False Statements Concerning Highway Projects
IX. Implementation of Clean Air Act and Federal Water Pollution Control Act
X. Compliance with Governmentwide Suspension and Debarment Requirements
XI. Certification Regarding Use of Contract Funds for Lobbying

ATTACHMENTS

A. Employment and Materials Preference for Appalachian Development Highway System or Appalachian Local Access Road Contracts (included in Appalachian contracts only)

I. GENERAL

1. Form FHWA-1273 must be physically incorporated in each construction contract funded under Title 23 (excluding emergency contracts solely intended for debris removal). The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services).

The applicable requirements of Form FHWA-1273 are incorporated by reference for work done under any purchase order, rental agreement or agreement for other services. The prime contractor shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Form FHWA-1273 must be included in all Federal-aid design-build contracts, in all subcontracts and in lower tier subcontracts (excluding subcontracts for design services, purchase orders, rental agreements and other agreements for supplies or services). The design-builder shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Contracting agencies may reference Form FHWA-1273 in bid proposal or request for proposal documents, however, the Form FHWA-1273 must be physically incorporated (not referenced) in all contracts, subcontracts and lower-tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services related to a construction contract).

2. Subject to the applicability criteria noted in the following sections, these contract provisions shall apply to all work performed on the contract by the contractor's own organization and with the assistance of workers under the contractor's immediate superintendence and to all work performed on the contract by piecework, station work, or by subcontract.

3. A breach of any of the stipulations contained in these Required Contract Provisions may be sufficient grounds for withholding of progress payments, withholding of final payment, termination of the contract, suspension / debarment or any other action determined to be appropriate by the contracting agency and FHWA.

4. Selection of Labor: During the performance of this contract, the contractor shall not use convict labor for any purpose within the limits of a construction project on a Federal-aid highway unless it is labor performed by convicts who are on parole, supervised release, or probation. The term Federal-aid highway does not include roadways functionally classified as local roads or rural minor collectors.

II. NONDISCRIMINATION

The provisions of this section related to 23 CFR Part 230 are applicable to all Federal-aid construction contracts and to all related construction subcontracts of $10,000 or more. The provisions of 23 CFR Part 230 are not applicable to material supply, engineering, or architectural service contracts.

In addition, the contractor and all subcontractors must comply with the following policies: Executive Order 11246, 41 CFR 60, 29 CFR 1625-1627, Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

Note: The U.S. Department of Labor has exclusive authority to determine compliance with Executive Order 11246 and the policies of the Secretary of Labor including 41 CFR 60, and 29 CFR 1625-1627. The contracting agency and the FHWA have the authority and the responsibility to ensure compliance with Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), and Title VI of the Civil Rights Act of...
1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The following provision is adopted from 23 CFR 230, Appendix A, with appropriate revisions to conform to the U.S. Department of Labor (US DOL) and FHWA requirements.

1. Equal Employment Opportunity: Equal employment opportunity (EEO) requirements not to discriminate and to take affirmative action to assure equal opportunity as set forth under laws, executive orders, rules, regulations (28 CFR 35, 29 CFR 1630, 29 CFR 1625-1627, 41 CFR 60 and 49 CFR 27) and orders of the Secretary of Labor as modified by the provisions prescribed herein, and imposed pursuant to 23 U.S.C. 140 shall constitute the EEO and specific affirmative action standards for the contractor's project activities under this contract. The provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) set forth under 28 CFR 35 and 29 CFR 1630 are incorporated by reference in this contract. In the execution of this contract, the contractor agrees to comply with the following minimum specific requirement activities of EEO:

a. The contractor will work with the contracting agency and the Federal Government to ensure that it has made every good faith effort to provide equal opportunity with respect to all of its terms and conditions of employment and in their review of activities under the contract.

b. The contractor will accept as its operating policy the following statement:

"It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, color, national origin, age or disability. Such action shall include: 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, pre-apprenticeship, and/or on-the-job training."

2. EEO Officer: The contractor will designate and make known to the contracting officers an EEO Officer who will have the responsibility for and must be capable of effectively administering and promoting an active EEO program and who must be assigned adequate authority and responsibility to do so.

3. Dissemination of Policy: All members of the contractor's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the contractor's EEO policy and contractual responsibilities to provide EEO in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:

a. Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less often than once every six months, at which time the contractor's EEO policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer.

b. All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer, covering all major aspects of the contractor's EEO obligations within thirty days following their reporting for duty with the contractor.

c. All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer in the contractor's procedures for locating and hiring minorities and women.

d. Notices and posters setting forth the contractor's EEO policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.

e. The contractor's EEO policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

4. Recruitment: When advertising for employees, the contractor will include in all advertisements for employees the notion: “An Equal Opportunity Employer.” All such advertisements will be placed in publications having a large circulation among minorities and women in the area from which the project work force would normally be derived.

a. The contractor will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minorities and women. To meet this requirement, the contractor will identify sources of potential minority group employees, and establish with such identified sources procedures whereby minority and women applicants may be referred to the contractor for employment consideration.

b. In the event the contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, the contractor is expected to observe the provisions of that agreement to the extent that the system meets the contractor's compliance with EEO contract provisions. Where implementation of such an agreement has the effect of discriminating against minorities or women, or obligates the contractor to do the same, such implementation violates Federal nondiscrimination provisions.

c. The contractor will encourage its present employees to refer minorities and women as applicants for employment. Information and procedures with regard to referring such applicants will be discussed with employees.

5. Personnel Actions: Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, national origin, age or disability. The following procedures shall be followed:

a. The contractor will conduct periodic inspections of project sites to insure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

b. The contractor will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

c. The contractor will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.
d. The contractor will promptly investigate all complaints of alleged discrimination made to the contractor in connection with its obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the contractor will inform every complainant of all of their avenues of appeal.

6. Training and Promotion:
   a. The contractor will assist in locating, qualifying, and increasing the skills of minorities and women who are applicants for employment or current employees. Such efforts should be aimed at developing full journey level status employees in the type of trade or job classification involved.
   b. Consistent with the contractor's work force requirements and as permissible under Federal and State regulations, the contractor shall make full use of training programs, i.e., apprenticeship, and on-the-job training programs for the geographical area of contract performance. In the event a special provision for training is provided under this contract, this subparagraph will be superseded as indicated in the special provision. The contracting agency may reserve training positions for persons who receive welfare assistance in accordance with 23 U.S.C. 140(a).
   c. The contractor will advise employees and applicants for employment of available training programs and entrance requirements for each.
   d. The contractor will periodically review the training and promotion potential of employees who are minorities and women and will encourage eligible employees to apply for such training and promotion.

7. Unions: If the contractor relies in whole or in part upon unions as a source of employees, the contractor will use good faith efforts to obtain the cooperation of such unions to increase opportunities for minorities and women. Actions by the contractor, either directly or through a contractor's association acting as agent, will include the procedures set forth below:
   a. The contractor will use good faith efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minorities and women for membership in the unions and increasing the skills of minorities and women so that they may qualify for higher paying employment.
   b. The contractor will use good faith efforts to incorporate an EEO clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, national origin, age or disability.
   c. The contractor is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the contractor, the contractor shall so certify to the contracting agency and shall set forth what efforts have been made to obtain such information.
   d. In the event the union is unable to provide the contractor with a reasonable flow of referrals within the time limit set forth in the collective bargaining agreement, the contractor will, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, national origin, age or disability; making full efforts to obtain qualified and/or qualifiable minorities and women. The failure of a union to provide sufficient referrals (even though it is obligated to provide exclusive referrals under the terms of a collective bargaining agreement) does not relieve the contractor from the requirements of this paragraph. In the event the union referral practice prevents the contractor from meeting the obligations pursuant to Executive Order 11246, as amended, and these special provisions, such contractor shall immediately notify the contracting agency.

8. Reasonable Accommodation for Applicants / Employees with Disabilities: The contractor must be familiar with the requirements for and comply with the Americans with Disabilities Act and all rules and regulations established thereunder. Employers must provide reasonable accommodation in all employment activities unless to do so would cause an undue hardship.

9. Selection of Subcontractors, Procurement of Materials and Leasing of Equipment: The contractor shall not discriminate on the grounds of race, color, religion, sex, national origin, age or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall take all necessary and reasonable steps to ensure nondiscrimination in the administration of this contract.
   a. The contractor shall notify all potential subcontractors and suppliers and lessors of their EEO obligations under this contract.
   b. The contractor will use good faith efforts to ensure subcontractor compliance with their EEO obligations.

10. Assurance Required by 49 CFR 26.13(b):
   a. The requirements of 49 CFR Part 26 and the State DOT’s U.S. DOT-approved DBE program are incorporated by reference.
   b. The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the contracting agency deems appropriate.

11. Records and Reports: The contractor shall keep such records as necessary to document compliance with the EEO requirements. Such records shall be retained for a period of three years following the date of the final payment to the contractor for all contract work and shall be available at reasonable times and places for inspection by authorized representatives of the contracting agency and the FHWA.
   a. The records kept by the contractor shall document the following:
      (1) The number and work hours of minority and non-minority group members and women employed in each work classification on the project;
      (2) The progress and efforts being made in cooperation with unions, when applicable, to increase employment opportunities for minorities and women; and
(3) The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minorities and women;

b. The contractors and subcontractors will submit an annual report to the contracting agency each July for the duration of the project, indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract work. This information is to be reported on Form FHWA-1391. The staffing data should represent the project work force on board in all or any part of the last payroll period preceding the end of July. If on-the-job training is being required by special provision, the contractor will be required to collect and report training data. The employment data should reflect the work force on board during all or any part of the last payroll period preceding the end of July.

III. NONSEGREGATED FACILITIES

This provision is applicable to all Federal-aid construction contracts and to all related construction subcontracts of $10,000 or more.

The contractor must ensure that facilities provided for employees are provided in such a manner that segregation on the basis of race, color, religion, sex, or national origin cannot result. The contractor may neither require such segregated use by written or oral policies nor tolerate such use by employee custom. The contractor's obligation extends further to ensure that its employees are not assigned to perform their services at any location, under the contractor's control, where the facilities are segregated. The term "facilities" includes waiting rooms, work areas, restaurants and other eating areas, time clocks, restrooms, washrooms, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees. The contractor shall provide separate or single-user restrooms and necessary dressing or sleeping areas to assure privacy between sexes.

IV. DAVIS-BACON AND RELATED ACT PROVISIONS

This section is applicable to all Federal-aid construction projects exceeding $2,000 and to all related subcontracts and lower-tier subcontracts (regardless of subcontract size). The requirements apply to all projects located within the right-of-way of a roadway that is functionally classified as Federal-aid highway. This excludes roadways functionally classified as local roads or rural minor collectors, which are exempt. Contracting agencies may elect to apply these requirements to other projects.

The following provisions are from the U.S. Department of Labor regulations in 29 CFR 5.5 “Contract provisions and related matters” with minor revisions to conform to the FHWA-1273 format and FHWA program requirements.

1. Minimum wages

a. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph 1.d. of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates contained under paragraph 1.b. of this section) and the Davis-Bacon poster (WH−1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

b. (1) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is utilized in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(2) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(3) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount
designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Wage and Hour Administrator for determination. The Wage and Hour Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(4) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs 1.b.(2) or 1.b.(3) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

c. Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

d. If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

2. Withholding

The contracting agency 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 the contract under this contract, or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the contracting agency may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

3. Payrolls and basic records

a. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

b. (1) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the contracting agency. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(ii), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH–347 is available for this purpose from the Wage and Hour Division Web site at http://www.dol.gov/esa/whd/forms/wh347instr.htm or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors.

Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the contracting agency for transmission to the State DOT, the FHWA or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the contracting agency.

(2) Each payroll submitted shall be accompanied by a “Statement of Compliance,” signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(i) That the payroll for the payroll period contains the information required to be provided under §5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under §5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.
(3) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH–347 shall satisfy the requirement for submission of the “Statement of Compliance” required by paragraph 3.b.(2) of this section.

(4) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

c. The contractor or subcontractor shall make the records required under paragraph 3.a. of this section available for inspection, copying, or transcription by authorized representatives of the contracting agency, the State DOT, the FHWA, or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the FHWA may, after written notice to the contractor, the contracting agency or the State DOT, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and trainees

a. Apprentices (programs of the USDOL).

Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.

The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed.

Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination.

In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

b. Trainees (programs of the USDOL).

Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration.

The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration.

Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed.

In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

c. Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

d. Apprentices and Trainees (programs of the U.S. DOT).

Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting EEO in connection with Federal-aid highway construction programs are not subject to the requirements of paragraph 4 of this Section IV.
straight time hourly wage rates for apprentices and trainees under such programs will be established by the particular programs. The ratio of apprentices and trainees to journeymen shall not be greater than permitted by the terms of the particular program.

5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

6. Subcontracts. The contractor or subcontractor shall insert Form FHWA-1273 in any subcontracts and also require the subcontractors to include Form FHWA-1273 in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

7. Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

10. Certification of eligibility.
   a. By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor’s firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
   b. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

V. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The following clauses apply to any Federal-aid construction contract in an amount in excess of $100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5(a) or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

1. 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.

2. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1.) of this section, the contractor and any subcontractor responsible therefore 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 (1.) of this section, in the sum of $10 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 (1.) of this section.

3. Withholding for unpaid wages and liquidated damages. The FHWA or the contacting agency 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 (2.) of this section.

4. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1.) through (4.) 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 (1.) through (4.) of this section.

VI. SUBLETTING OR ASSIGNING THE CONTRACT

This provision is applicable to all Federal-aid construction contracts on the National Highway System.

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the contracting agency. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor’s own organization (23 CFR 635.116).

   a. The term “perform work with its own organization” refers to workers employed or leased by the prime contractor, and equipment owned or rented by the prime contractor, with or without operators. Such term does not include employees or equipment of a subcontractor or lower tier subcontractor, agents of the prime contractor, or any other assignees. The term may include payments for the costs of hiring leased employees from an employee leasing firm meeting all relevant Federal and State regulatory requirements. Leased employees
may only be included in this term if the prime contractor meets all of the following conditions:

1. the prime contractor maintains control over the supervision of the day-to-day activities of the leased employees;
2. the prime contractor remains responsible for the quality of the work of the leased employees;
3. the prime contractor retains all power to accept or exclude individual employees from work on the project; and
4. the prime contractor remains ultimately responsible for the payment of predetermined minimum wages, the submission of payrolls, statements of compliance and all other Federal regulatory requirements.

b. "Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid or propose on the contract as a whole and in general are to be limited to minor components of the overall contract.

2. The contract amount upon which the requirements set forth in paragraph (1) of Section VI is computed includes the cost of material and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

3. The contractor shall furnish (a) a competent superintendent or supervisor who is employed by the firm, has full authority to direct performance of the work in accordance with the contract requirements, and is in charge of all construction operations (regardless of who performs the work) and (b) such other of its own organizational resources (supervision, management, and engineering services) as the contracting officer determines is necessary to assure the performance of the contract.

4. No portion of the contract shall be sublet, assigned or otherwise disposed of except with the written consent of the contracting officer, or authorized representative, and such consent when given shall not be construed to relieve the contractor of any responsibility for the fulfillment of the contract.

Written consent will be given only after the contracting agency has assured that each subcontract is evidenced in writing and that it contains all pertinent provisions and requirements of the prime contract.

5. The 30% self-performance requirement of paragraph (1) is not applicable to design-build contracts; however, contracting agencies may establish their own self-performance requirements.

VII. SAFETY: ACCIDENT PREVENTION

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

1. In the performance of this contract the contractor shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation (23 CFR 635). The contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions as it determines, or as the contracting officer may determine, to be reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract.

2. It is a condition of this contract, and shall be made a condition of each subcontract, which the contractor enters into pursuant to this contract, that the contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under construction safety and health standards (29 CFR 1926) promulgated by the Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704).

3. Pursuant to 29 CFR 1926.3, it is a condition of this contract that the Secretary of Labor or authorized representative thereof, shall have right of entry to any site of contract performance to inspect or investigate the matter of compliance with the construction safety and health standards and to carry out the duties of the Secretary under Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C.3704).

VIII. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

In order to assure high quality and durable construction in conformity with approved plans and specifications and a high degree of reliability on statements and representations made by engineers, contractors, suppliers, and workers on Federal-aid highway projects, it is essential that all persons concerned with the project perform their functions as carefully, thoroughly, and honestly as possible. Willful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of Federal law. To prevent any misunderstanding regarding the seriousness of these and similar acts, Form FHWA-1022 shall be posted on each Federal-aid highway project (23 CFR 635) in one or more places where it is readily available to all persons concerned with the project.

18 U.S.C. 1020 reads as follows:

"Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the cost thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction on any highway or related project submitted for approval to the Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of Transportation; or

Whoever knowingly makes any false statement or false representation as to material fact in any statement, certificate, or report submitted pursuant to provisions of the Federal-aid Roads Act approved July 1, 1916, (39 Stat. 355), as amended and supplemented;

Shall be fined under this title or imprisoned not more than 5 years or both."
IX. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

By submission of this bid/proposal or the execution of this contract, or subcontract, as appropriate, the bidder, proposer, Federal-aid construction contractor, or subcontractor, as appropriate, will be deemed to have stipulated as follows:

1. That any person who is or will be utilized in the performance of this contract is not prohibited from receiving an award due to a violation of Section 508 of the Clean Water Act or Section 306 of the Clean Air Act.

2. That the contractor agrees to include or cause to be included the requirements of paragraph (1) of this Section X in every subcontract, and further agrees to take such action as the contracting agency may direct as a means of enforcing such requirements.

X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost $25,000 or more — as defined in 2 CFR Parts 180 and 1200.

1. Instructions for Certification – First Tier Participants:

a. By signing and submitting this proposal, the prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency’s determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms “covered transaction,” “debarred,” “suspended,” “ineligible,” “participant,” “person,” “principal,” and “voluntarily excluded,” as used in this clause, are defined in 2 CFR Parts 180 and 1200. “First Tier Covered Transactions” refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contractor). “Lower Tier Covered Transactions” refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). “First Tier Participant” refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). “Lower Tier Participant” refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions,” provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (https://www.epis.gov/), which is compiled by the General Services Administration.

i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

2. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from...
participating in covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

2. Instructions for Certification - Lower Tier Participants:

(Applicable to all subcontracts, purchase orders and other lower tier transactions requiring prior FHWA approval or estimated to cost $25,000 or more - 2 CFR Parts 180 and 1200)

a. By signing and submitting this proposal, the prospective lower tier is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances.

d. The terms “covered transaction,” “debarred,” “suspended,” “ineligible,” “participant,” “person,” “principal,” and “voluntarily excluded,” as used in this clause, are defined in 2 CFR Parts 180 and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. “First Tier Covered Transactions” refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contractor). “Lower Tier Covered Transactions” refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). “First Tier Participant” refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). “Lower Tier Participant” refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction,” without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (https://www.epis.gov), which is compiled by the General Services Administration.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

* * * * *

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Participants:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

* * * * *

XI. CERTIFICATION REGARDING USE OF CONTRACT FUNDS FOR LOBBYING
This provision is applicable to all Federal-aid construction contracts and to all related subcontracts which exceed $100,000 (49 CFR 20).

1. The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

   a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal 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 any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

   b. 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 Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

3. The prospective participant also agrees by submitting its bid or proposal that the participant shall require that the language of this certification be included in all lower tier subcontracts, which exceed $100,000 and that all such recipients shall certify and disclose accordingly.
ATTACHMENT A - EMPLOYMENT AND MATERIALS PREFERENCE FOR APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM OR APPALACHIAN LOCAL ACCESS ROAD CONTRACTS

This provision is applicable to all Federal-aid projects funded under the Appalachian Regional Development Act of 1965.

1. During the performance of this contract, the contractor undertaking to do work which is, or reasonably may be, done as on-site work, shall give preference to qualified persons who regularly reside in the labor area as designated by the DOL wherein the contract work is situated, or the subregion, or the Appalachian counties of the State wherein the contract work is situated, except:

   a. To the extent that qualified persons regularly residing in the area are not available.

   b. For the reasonable needs of the contractor to employ supervisory or specially experienced personnel necessary to assure an efficient execution of the contract work.

   c. For the obligation of the contractor to offer employment to present or former employees as the result of a lawful collective bargaining contract, provided that the number of nonresident persons employed under this subparagraph (1c) shall not exceed 20 percent of the total number of employees employed by the contractor on the contract work, except as provided in subparagraph (4) below.

2. The contractor shall place a job order with the State Employment Service indicating (a) the classifications of the laborers, mechanics and other employees required to perform the contract work, (b) the number of employees required in each classification, (c) the date on which the participant estimates such employees will be required, and (d) any other pertinent information required by the State Employment Service to complete the job order form. The job order may be placed with the State Employment Service in writing or by telephone. If during the course of the contract work, the information submitted by the contractor in the original job order is substantially modified, the participant shall promptly notify the State Employment Service.

3. The contractor shall give full consideration to all qualified job applicants referred to him by the State Employment Service. The contractor is not required to grant employment to any job applicants who, in his opinion, are not qualified to perform the classification of work required.

4. If, within one week following the placing of a job order by the contractor with the State Employment Service, the State Employment Service is unable to refer any qualified job applicants to the contractor, or less than the number requested, the State Employment Service will forward a certificate to the contractor indicating the unavailability of applicants. Such certificate shall be made a part of the contractor's permanent project records. Upon receipt of this certificate, the contractor may employ persons who do not normally reside in the labor area to fill positions covered by the certificate, notwithstanding the provisions of subparagraph (1c) above.

5. The provisions of 23 CFR 633.207(e) allow the contracting agency to provide a contractual preference for the use of mineral resource materials native to the Appalachian region.

6. The contractor shall include the provisions of Sections 1 through 4 of this Attachment A in every subcontract for work which is, or reasonably may be, done as on-site work.
FEDERAL AID ATTACHMENT 9

STATE MANDATORY ADDENDUM TO FHWA-1273 REQUIRED CONTRACT PROVISIONS, FEDERAL AID CONSTRUCTION CONTRACTS AS AMENDED OR SUPPLEMENTED

ALL CONTRACTORS MUST PROVIDE THIS LANGUAGE IN ANY CONTRACT WITH THEIR SUBCONTRACTORS AS REQUIRED BY 2 CFR PART 200 AND 2 CFR PART 200 APPENDIX II AND IS CURRENTLY NOT INCLUDED IN FHWA-1273, BUT IS REFLECTED IN PROPOSED AMENDMENTS NOT YET FINALIZED.

FHWA-1273 shall be read to include:

1. All references to “race, religion, sex, color, national origin, age or disability” shall be read to include “sexual orientation and gender identity”.

2. SECTION IV. DAVIS-BACON ACT AND RELATED ACT PROVISIONS shall apply if the project is defined to be on a Federal Aid highway, regardless of the location of the project in compliance with 23 USC 133(i).

3. SECTION IX. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT shall require in conformance with 2 CFR Part 200 and 2 CFR Part 200 Appendix II that contractors on all Federal Aid construction contracts in excess of $150,000 and all related subcontracts, supply contracts and vendor contracts “comply with all related standards, orders or regulations issued pursuant to the Clean Air Act (42 USC 7401-7671q) and the Federal Water Pollution Control Act as amended (33 USC 1251-1387) as required by 2 CFR 200.326.

4. SECTION X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION shall be read to comply with 2 CFR Part 200 and 2 CFR Part 200 Appendix II to replace the Excluded Parties List System with the System For Award Management (SAM) as required by 2 CFR Part 180.

5. If the work requires that cargo be shipped by oceanic transport or across the Great Lakes, in compliance with Section 3511 of the Duncan Hunter National Defense Authorization Act of 2009 amending the Cargo Preference Act, each contract shall require that cargoes financed “in any way with Federal funds for the account of any persons unless otherwise exempted” requires the use of US-flag vessels to transport the materials or equipment acquired for a specific Federal Aid construction project.
FEDERAL AID ATTACHMENT 10

FEDERAL MANDATORY EQUAL OPPORTUNITY LANGUAGE ON FEDERAL AID PROJECTS

(AUTHORITY SUBJECT TO 41 CFR 60-1.4 IN COMPLIANCE WITH 2 CFR PART 200 AND 2 CFR PART 200 APPENDIX II)

All Contractors regardless of the value of the contract shall have this mandatory clause with their subcontractors:

The Contractor/Subcontractor hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

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

(1) 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.

(2) 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.

(3) 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.

(4) 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.

(5) 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.

(6) 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.

(7) 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.

(8) 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 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.
BYRD ANTI-LOBBYING CERTIFICATION

Pursuant to 31 USC 1352 and 49 CFR part 21, Contractor and all subcontractors are required to comply with this Attachment. Contractor and all subcontractors shall be responsible to fill out Disclosure of Lobbying Activities Standard Form – LLL (as contained in this Attachment) and report it to the NJDOT Contract Compliance Unit for appropriate disclosure to the Federal Government.

All Contracts and subcontracts over $100,000 shall require the following mandatory language in every contract:

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriate funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an 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 any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.

2. 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, or any employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Disclosure of Lobbying Activities Standard Form – LLL (Federal Aid Attachment Form 11) in accordance with its instructions.

3. 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.

This certification is a material representation of fact upon which reliance was placed when the transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not that $10,000 and not more than $100,000 for each such failure.
APPENDIX B TO PART 21—DISCLOSURE FORM TO REPORT LOBBYING

<table>
<thead>
<tr>
<th>1. Type of Service Action</th>
<th>2. Status of Federal Action</th>
<th>3. Report Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. contact</td>
<td>a. Initial filing</td>
<td>a. Initial filing</td>
</tr>
<tr>
<td>b. grant</td>
<td>b. Revised filing</td>
<td>b. Revised filing</td>
</tr>
<tr>
<td>c. cooperative agreement</td>
<td>c. Initial renewal</td>
<td>c. Initial renewal</td>
</tr>
<tr>
<td>d. loan</td>
<td>d. Revised renewal</td>
<td>d. Revised renewal</td>
</tr>
<tr>
<td>e. indemnity</td>
<td>e. other provision</td>
<td>e. other provision</td>
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<tr>
<td>f. other provision</td>
<td>f. other provision</td>
<td>f. other provision</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. Name and Address of Lobbying Entity</th>
<th>5. If Receiving Lobbying Entity is in Subsection B, Enter Name and Address of Principal</th>
</tr>
</thead>
</table>

Congressional District: __________
Congressional District: __________

Federal Agency/Department: __________
Federal Agency/Department: __________

Federal Action Number: __________
Federal Action Number: __________

Type of Payment:
- a. retainers
- b. one-time fees
- c. consulting
- d. contingent fees
- e. expenses
- f. other:

Amount of Payment: __________
Amount of Payment: __________

Type of Payment:
- a. retainers
- b. one-time fees
- c. consulting
- d. contingent fees
- e. expenses
- f. other:

Amount of Payment: __________
Amount of Payment: __________

Certifications Required:
- a. retained
- b. one-time fees
- c. consulting
- d. contingent fees
- e. expenses
- f. other:

Certifications Required: __________
Certifications Required: __________

Signature: __________________________
Signature: __________________________

Print Name: _________________________
Print Name: _________________________

Title: ____________________________
Title: ____________________________

Telephone: _________________________
Telephone: _________________________

Date: ____________________________
Date: ____________________________

Authorized for legal signature
Authorized for legal signature

Standard Form 424
INSTRUCTIONS FOR COMPLIANCE OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subcontractor or prime Federal contractor, at the initiation or receipt of a covered Federal action, or a requested change to a proposed filing, pursuant to the 21 U.S.C. section 1507. The filing of a form is required for each payment or agreement to make payment to any lobbying entity 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 a covered Federal action. Use the SF-LLL/CA Form for federal actions. If the agency is the Federal Contractor, the SF-LLL/CA Form is used and submitted by the subcontractor, sub-subcontractor, or contract award to the contractor.

1. Identify the type of covered Federal action for which lobbying activity is to be entered to influence the outcome of a covered Federal action.
2. Identify the name of the covered Federal action.
3. Identify the appropriate classification of the report. If this is a different report caused by a material change in the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by the reporting entity for this covered Federal action.
4. Enter the full name, address, city, state, and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or subject to be, a prime or subcontractor entity. Identify the year of the submission, e.g., the first submission of the prime to the 1st Subaward includes the cost and Federal to subcontractor, sub-subcontractor, and contract award to the contractor.
5. If the organization filing this report is the prime contractor, enter the full name, address, city, state, and zip code of the prime Federal contractor, include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment, include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (see note). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifier available for the Federal action identified in item 1, e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant award number, the contract, grant, or loan award number; the applicable proposed award number assigned by the Federal agency, include poison, e.g., "50-R-00-8979."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the award amount of the award commitment for the prime agency identified in item 4 or 6.
10. Enter the full name, address, city, state, and zip code of the contractor entity engaged by the reporting entity identified in item 4 or 6 to influence the covered Federal action.

11. Enter the full names of the individual(s) representing services, and include full address if different from item 7 or 9.
12. Enter last name, first name, and middle initial(s).
13. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity to or for the lobbying entity in item 3, indicate whether the payment has been made (actual) or will be made (planned). Check the box if applicable. If this is a revised change report, enter the cumulative amount of payment made or planned to be made.
14. Check the appropriate box(es). Check all boxes that apply. If none, specify none.
15. Check the appropriate box(es). Check all boxes that apply. If none, specify none.
16. Check the appropriate box(es). Check all boxes that apply. If none, specify none.
17. Check whether or not a SF-LLL/CA Form shall be attached to this Form.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instruction, gathering and maintaining the data needed, and completing and submitting the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0140-0140), Washington, D.C. 20573.