

# **Town of Jay**

## **Labor Standards Policy**

### **CDBG-DR**

#### **INTRODUCTION**

The Town of Jay will use the policies and procedures below to ensure compliance with Federal Department of Labor (DOL) requirements at 29 CFR Parts 1, 3, and 5, as well as contractual requirements specified in the Town's grant agreement with Florida Commerce.

The Town has contracted Robin Phillips of Jones-Phillips & Associates and appointed her as Labor Compliance Officer (LCO) for the Town of Jay's Disaster Relief Facility. The LCO is tasked with overall administration and enforcement of the Town's compliance with Labor standards for the CDBG-DR project, which includes the Disaster Relief Facility within Bray-Hendricks Park.

#### **ADMINISTRATION**

##### **Pre-Construction**

1. Robin Phillips, LCO, will create, maintain, and preserve a Labor Standards file for each of the Town of Jay's CDBG-DR projects, for a minimum of three years, after completion of construction, or final disposition of any compliance issues—whichever occurs last. The Town of Jay's appointment of the LCO for the project will be added to the Labor Standards file.
2. The Town of Jay and its LCO will utilize the Town's *Labor Standards Compliance Review Checklist* to ensure compliance with Davis-Bacon and Related Acts (DBRA), Contract Work Hours and Safety Standards Act (CWHSSA), and the Copeland Anti-Kickback Act of 1986.
3. Following the Town of Jay's receipt of Florida Commerce's approval of the environmental review for the project and subsequent issuance of the Authority to Use Grant Funds, the project engineer's will complete the bid documents (plans and specifications), the Labor Compliance Officer will access the [SAM.gov](http://SAM.gov) webpage and will download the proper wage decision(s) for the CDBG-DR project.
4. The LCO will provide the wage decision(s) to the project engineer and to the Town of Jay's project manager.
5. The Project Engineer will insert the wage decision(s) and the Federal Labor Standards Provisions (HUD-4010) into the plans and specifications and finalizes the Invitation to Bid (ITB) package. The Town of Jay will then forward the ITB to Florida Commerce for approval. Following receipt of Florida Commerce approval, the Town of Jay will solicit bids from construction contractors.
6. The Town of Jay will hold a Pre-Bid Conference where compliance with Davis-Bacon and Related Acts (DBRA), Contract Work Hours and Safety Standards Act (CWHSSA), and Copeland Anti-Kickback Act of 1986 requirements will be discussed with the attending contractors. Section 3 requirements will be discussed during this meeting as well. The LCO will attend to answer any questions specific to Federal labor requirements.
7. Following the Town's solicitation of the prime contractor, receipt and opening of bids, confirmation that the selected contractor is not on the Excluded Parties List from review of contractor eligibility in SAM.gov, Florida Commerce approval of the procurement, and issuance of the Notice of Award, a Pre-Construction meeting will be held with the prime contractor.

8. At the pre-construction meeting, the LCO will communicate to the prime contractor and any available subcontractors its responsibilities and obligations regarding labor standards, including but not limited to the following:
  - a. Submit the *Prime Contractor Notification of Participation and Certifications Form* to the Town of Jay.
  - b. Submit the *Subcontractor Notification of Participation and Certifications Form* to the Town of Jay.
  - c. Submit a printout from the SAM.gov webpage, to provide evidence that the prime contractor is not on the Excluded Parties List.
  - d. Submit weekly payrolls to the Town of Jay and the LCO. The prime contractor must also collect weekly payroll reports from any subcontractor(s) it hired to execute the project, review the subcontractor(s) payroll reports, and forward the records to the Town of Jay and the LCO.
  - e. Acquire and submit evidence from the SAM.gov webpage that any subcontractor(s) hired by the prime contractor is/are not on the Excluded Parties List.
  - f. Post in a conspicuous location at the job site the Federal wage decision(s) in the construction contract.
  - g. Post in a conspicuous location at the job site the WH-1321 (Workers' Rights Under Davis-Bacon) form.
  - h. Post in a conspicuous location any DOL-approved additional work classifications and wage rates.
  - i. Maintain payroll records for a minimum of three years following completion of the project.
9. The LCO will verify that the Town of Jay awarded the contract within 90 days of the bid opening date. If the award date is more than 90 days after the bid opening, the LCO will verify that the wage decision(s) in the ITB package has not been amended or superseded. In instances where the wage decision(s) has been amended or superseded, the LCO will download the current wage decision(s) from the SAM.gov webpage and provide it to the Project Engineer for modification into the contract between the prime contractor and the Town of Jay. Documentation of verification of the wage decision choice will be maintained in the Labor Standards compliance file for each project.
10. The LCO will ensure the construction Contractor and all sub-contractors utilize E-Verify to verify the employment eligibility of their new hires by comparing information against government records.
11. Following execution of the contract, the Town of Jay will issue the Notice to Proceed (NTP). The LCO will communicate with the prime contractor to ensure that weekly CPRs will be submitted from the start of construction through project completion.
12. "No work" payrolls are not required to be submitted for weeks in which no work is performed. However, the prime contractor must notify the Town of Jay or the LCO that construction of the project has temporarily stopped and provide the estimated date that construction will resume.

### **Construction**

1. Shortly after construction commences, the LCO will conduct field inspection(s) at the job site to:
  - a) Conduct interviews with employees of the prime contractor and any subcontractor(s) hired to execute the project using HUD-11 Form for record.

- b) Verify that the contractor has posted the federal wage decision(s) and WH-1321 form in a conspicuous location at the job site.
  - c) Verify that the contractor has posted all DOL-approved additional work classifications and wage rates, if any, in a conspicuous location at the job site.
  - d) Take a photograph of the wage decision(s), WH-1321 form, and any DOL-approved additional work classifications and wage rates, to document verification of the contractor's posting requirements.
    - i. The LCO should later add the photograph to the Labor Standards file for the project.
2. Following the Town of Jay's receipt of weekly certified payroll reports (CPRs) from the prime contractor and any subcontractor that is executing the project, the LCO will begin to review the CPRs for compliance with DBRA and other labor-related requirements, including but not limited to the following:
- a) Detection of falsification indicators on the CPRs.
  - b) Work classifications in the CPRs align with those in the wage decision(s).
    - i. In instances where classifications presented in the payrolls are not listed in the wage decision(s), the LCO will coordinate with the prime contractor and request that the contractor complete a Request for Authorization of Additional Classification and Rate (SF 1444).
      - 1. Following contractor completion of SF 1444, the LCO will forward the completed form to Florida Commerce for submission to the DOL.
  - c) Prevailing wages (including fringe benefits) are being paid to the workers based on their work classifications.
  - d) Overtime is being paid at a rate of 1.5 times the straight-time wage rate for hours over 40 worked on the project, plus 1.0 times the fringe benefit (if applicable to the classification) rate.
  - e) Compare weekly payrolls to information recorded on HUD-11 forms to test and verify the accuracy of the information on the payroll records. Sign and date the Payroll Examination section of the HUD-11 forms following completion of comparisons. Additionally, add any review comments to the Remarks field in the Payroll Examination section.
    - i. In cases where there are discrepancies between the payroll reports and the HUD-11 forms, take the appropriate action needed to investigate and resolve compliance issues, including communicating with the Town of Jay and the prime contractor.
  - f) Payroll deductions are bona fide and do not constitute kickbacks to the contractor from the worker.
    - i. The contractor provides employee authorization for any non-standard deductions (e.g., health, dental insurance, 401k deduction, etc.) taken from the employees' earnings.
    - ii. The contractor provides support for other non-standard deductions taken that do not require employee authorization (e.g., court-ordered child support, wage garnishments, etc.).
    - iii. The non-standard items the employee(s) authorized, as well as the corresponding amounts, align with the information on the face of the contractor(s) CPRs.
  - g) Each payroll report is certified by the owner, corporate officer, or a designee authorized in writing by the owner or a corporate officer.
  - h) No Helper classifications are included in the payroll, unless the DOL has approved a Helper classification.

- i) For instances where workers are classified as Trainees or Apprentices, there is documentation that each such worker is participating in a formal program approved by the Agency for Workforce Innovation or the U.S. Department of Labor and is being paid according to the requirements of that program.
- 3. Ensure that form HUD 4710i (Semi-Annual Labor Standards Enforcement Report) is completed semi-annually and submitted to HUD electronically at DBLS\_SAR@hud.gov within one week of the reporting period.
- 4. The Town of Jay's LCO will provide Florida Commerce with any requested information needed for the agency's reporting to HUD or DOL, or for requests relating to monitoring reviews.

### **ENFORCEMENT**

- 1. In instances where the LCO identifies wage underpayments, contractor non-compliance with overtime pay requirements, or unsupported deductions, the LCO will communicate with the contractor to attempt to have the areas of non-compliance remediated. The LCO will ensure that any needed corrections are made promptly, including the payment of wage restitution as needed, and the assessment and collection of Liquidated Damages penalties, as appropriate.
- 2. Labor Standards non-compliance incidences, including infractions, restitutions, liquidated damages, reporting and compliance will be tracked in the Town of Jay's *Labor Standards Non-Compliance Tracking Sheet*.
  - a) The completed *Labor Standards Non-Compliance Tracking Sheet* must be added to the Labor Standards file following project completion.
- 3. The Town of Jay reserves the right to take the following enforcement actions to bring a prime contractor and/or its subcontractor(s) into compliance with labor standards:
  - a) Restrict contractor access to the project site.
  - b) Reduce contract payments for a non-compliant subcontractor(s).
  - c) Withhold payment(s) to a contractor following receipt of a pay application until all labor compliance issues have been addressed and resolved.
- 4. The LCO will ensure that all labor compliance issues have been resolved prior to the closing out of the CDBG-DR project by Florida Commerce. Additionally, the LCO will ensure that all labor-related records associated with the above policies and procedures are added to the Labor Standards compliance file that is created, maintained, and preserved for the CDBG-DR project.

### **Liquidated Damages**

In instances where a worker is underpaid for overtime hours worked, Liquidated Damage penalties in the amount of \$33 for each calendar day which an individual did not receive the required overtime compensation will be assessed to the contractor.

- 1. In each case where an overtime violation is identified, the LCO must notify the employer in writing the amount of liquidated damages computed, and the Town of Jay's intent to assess.
  - a) A copy of the notice shall be sent to the prime contractor when the employer involved is a subcontractor.
  - b) The notice must inform the employer that it has 60 days to file a written request for a reduction or waiver of liquidated damages and that absent a timely reduction or waiver request, the determination is final.
- 2. The employer may request a reduction or waiver of liquidated damages.
  - a) The Town of Jay may approve a reduction or waiver in instances where the computation of liquidated damages is incorrect or where the violation(s) occurred inadvertently notwithstanding the exercise of due care on the part of the employer.

3. The employer's request must be made in writing to the Town of Jay within 60 days after the date of the notice and must explain the reason(s) why a reduction or waiver is warranted.
  - a) If the computed amount of liquidated damages is \$100 or less, the Town of Jay may request, via Florida Commerce, that the HUD Labor Standards Specialist issue a final order affirming, reducing, or waiving liquidated damages.
  - b) If the computed amount of liquidated damages is greater than \$100 but no more than \$500, the Town of Jay may request, via Florida Commerce, that the HUD Deputy Director issue a final order affirming, reducing, or waiving liquidated damages.
  - c) If the computed amount of liquidated damages is greater than \$500, the Town of Jay may forward the matter to the DOL, via Florida Commerce, through the HUD Deputy Director.
4. In instances when the cumulative wage restitutions are \$1,000.00 or more, and where a waiver has not been approved, the Town of Jay will submit a Labor Standards Enforcement Report to Florida Commerce for submission to the DOL.
5. Payment of liquidated damages penalties by an employer are to be made to Florida Commerce, which will wire the funds to HUD.
6. The Town of Jay will retain all records associated with the assessment, recordation, reduction, and waiver of an employer's liquidated damages penalties, as well as evidence of payment of liquidated damages penalties by the contractor.

### **Complaints**

1. The LCO will receive and screen employees and other complaints or allegations of violation and will investigate all complaints, especially those relating to allegation of underpayment.
  - a) All complaints received will be recorded on the Complaint Intake Form (HUD 4731).
  - b) The LCO will ensure that all worker complaints are examined and resolved, especially allegations of underpayment, prior to closing out of the CDBG-DR project.
  - c) The LCO will refer to Florida Commerce (for referral to HUD or the DOL) any complex issues and/or payroll falsification cases.
  - d) The LCO will maintain full documentation relating to how the complaints was addressed, including referral of the case to Florida Commerce if necessary.
  - e) The LCO will ensure that each complaint received has been fully resolved, or alternatively, that the complaint has been referred to Florida Commerce, prior to the Town of Jay commencing the closeout process for the CDBG-DR project.
2. For non-CWHSSA covered projects, the LCO will refer to Florida Commerce for referral to the DOL Wage and Hour Division any potential Fair Labor Standards Act (FLSA) overtime violations a contractor may have committed.

This policy has been adopted by the Town of Jay Town Council by a vote of four (4) yeas and zero (0) nays on October 6, 2025.

  
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Donna Bullock, Town Clerk

  
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Shon Owens, Mayor