

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
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Tony Evers, Governor

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November 18, 2024

Dear: Steve Lisser,

The Department of Natural Resources is pleased to again be partnering with the Sauk County Health Department and continuing to work together to ensure safe drinking water for all Wisconsin communities. Enclosed with this letter is the updated Transient Non-Community (TN) County Contract for 2025-2026. As always, the Department considers the partnerships with local health departments to be a valuable and important relationship. Thank you for all the work you do.

Administrative Requests

Funding for the TN County Contract program is based on a federal grant. The Department has reporting requirements it must comply with for administering the grant. The following requests are to help the Department meet those requirements. When completing the contract please forward the following information to the indicated email address. Include the name of your county health department.

1. Send federal UEI (Unique Entity ID) number to DNRDGBusinessServices@wisconsin.gov
 - If you don't have a federal UEI number, follow the instructions on [SAM.gov](https://sam.gov) | Entity Registrations
2. If you have a new mailing address this year, please email DNRDGBusinessServices@wisconsin.gov to have the address updated in DNR's financial system.

Updates/Changes to the TN County Contract

The 2025-2026 contract was reviewed and updated by legal staff with minor edits consisting of delating unnecessary language or inserting supporting code citations. It was also reviewed by field staff to ensure accurate reflection of current practices. Below is a summary of more substantial changes made to the 2025-2026 contract. Most of the changes were made to clarify the language and better describe expectations. If you have any questions regarding the changes, please contact Beth Finzer at Elizabeth.Finzer@wisconsin.gov.

- A. Reimbursement Increases for 2025-2026. Reimbursement increases were made to the following items. All other reimbursement rates remain the same.
 - a. Base rate per system increased to \$175 from \$169.
 - b. Nitrate or nitrite sample that is not a check sample increased to \$35 from \$29.
 - c. Reimbursement of \$70 for a nitrate check sample when a rapid turnaround is requested, and the laboratory used by the county requires additional fees for a rapid response.
- B. **6. Qualifications.** The following was added: "Capability to work with DNR staff to perform all requirements described in this contract, including performing joint inspections."
- C. **7. A.1.g Follow-up actions.** The following was added: "The Contractor shall notify the Department of any water treatment installed for treatment of bacteria."
- D. **7. A.2.a. Routine Monitoring.** The language for nitrate monitoring was updated to reflect that some systems may be placed on increased monitoring for nitrate and to clarify expectations for inspecting systems for treatment installed to address nitrate. Changes to the text are highlighted in red.

“If a system listed in Appendix 1 is on **increased nitrate monitoring**, (quarterly or **monthly**) or is moved to **increased** monitoring for nitrate the Contractor will collect and have analyzed a nitrate sample for each **monitoring period** of the year that the facility is in operation.

The Contractor shall notify the Department of any water treatment installed for nitrate treatment.”

- E. **7.A.2.e. Public Notification.** The following language in red text was added: “Contractor will also provide system owners with copies of the nitrate advisory placard **and inform the system owner of locations to post the placards.** Contractor will require compliance with posting of nitrate warning placards and on an annual basis, will **forward take photographs and provide the** documentation to the Department that nitrate warning placards are posted appropriately and that repeat public notices are updated with current monitoring results.
- F. **7.A.6.a Sanitary Surveys.** The name of the form used to report proper filling and sealing of a well was included. The name of the report is or Form 3300-005.
- G. **7.A.6.c Sanitary Surveys.** The following paragraph was added to clarify expectations for reviewing systems for treatment: “The Contractor shall notify the Department of all water treatment in use at each water system, regardless of the purpose of the treatment (e.g. aesthetic, corrosion control, continual disinfection, nitrate reduction). The Contractor will work with Department regional staff and the water system to obtain approvals required per s. NR 812.37.”
- H. **9. Records, Access.** The following sentence was added: “Should the contract be terminated by either party, the Contractor shall relinquish all water system records to the Department.”
- I. **19. Funding Source.** This is new language for the contract and is included as a requirement from U.S. EPA for primacy agencies to use when awarding federal funding in contracts.
- J. **20. Addendum.** Additional details regarding conditions for the federal grant funding is provided as Appendix B.

Regards,



Beth Finzer
Water Supply Specialist – Advanced
Public Water Supply Section
Bureau of Drinking Water and Groundwater
Wisconsin Department of Natural Resources

CONTRACT AGREEMENT FOR THE
TRANSIENT NON-COMMUNITY PROGRAM

THIS CONTRACT is entered into by and between the State of Wisconsin Department of Natural Resources (the Department) and the Sauk County Health Department (the Contractor) for the purpose of assuring compliance with chapter NR 809 Wisconsin Administrative Code, the Safe Drinking Water Code, as it applies to the public transient non-community water systems (system) listed in Appendix 1. A general description of the work includes: conducting annual site visits and collecting drinking water quality samples, conducting Level 2 Assessments and all required follow-up based on sample results, evaluating and documenting the sanitary condition of the well and pump installation, and tracking and assisting seasonal systems with start-up procedures. Sanitary condition of the well and pump installation shall be determined based on requirements established in chs. NR 812, NR 810, and NR 809, Wis. Adm. Code. Issues or discrepancies arising from the work covered in this contract should be resolved as outlined in section 5 of this contract. The Contractor is considered to be an agent of the Department, for purposes of conducting the Contractor's work under this contract, with the authority described in section 281.97, Wisconsin Statutes.

FOR AND IN CONSIDERATION of the terms and conditions contained in this contract, the above-named parties agree:

1. **PERIOD OF AGREEMENT.** This contract shall commence upon January 1, 2025 and ends December 31, 2026 during which period all performance as described in this contract shall be fully completed to the satisfaction of the Department.
2. **CANCELLATION.** The Department reserves the right to cancel this contract in whole or in part, without penalty, due to non-appropriation of funds or for failure of the Contractor to comply with terms, conditions, or specifications of this contract. The Contractor reserves the right to cancel this contract in the event the work as described under section 7 of this contract or other conditions of the contract cannot be completed. Both parties agree to give a 60-day written notice for cancellation of this contract.
3. **ENTIRE CONTRACT; AMENDMENTS.** This contract shall constitute the entire agreement and previous communications or agreements pertaining to the subject matter of this contract are hereby superseded. Any contractual revisions including cost adjustments and time extensions may be made only by a written amendment to this contract, signed by both parties prior to the ending date of this contract.
4. **ASSIGNMENT.** No right or duty in whole or in part of the Contractor under this contract may be assigned or delegated without the prior written consent of the Department.
5. **RESOLUTION OF ISSUES.** Professional disagreements or conflicts between the Department and the Contractor should be resolved and a united front presented to the regulated public. When problems arise, it is the responsibility of both parties to initiate a conflict resolution process. In the event of a professional disagreement or personal conflict, the parties involved will first attempt to resolve the issue through a

telephone discussion. If that is not successful, the parties will schedule a face-to-face meeting. Finally, if a face-to-face meeting is unsuccessful, then the Contractor and Department supervisory staff will attempt to resolve the issue. If a professional disagreement cannot be resolved, a discussion between the Contractor and Department should determine how the conflict will be communicated to the regulated public.

6. QUALIFICATIONS. The persons doing the work of the contract shall have the ability, skill, and competence in the following areas:

- Department well construction and water quality codes
- Basic principles of building plumbing inspection/review and basic principles of water treatment systems
- Principles of inspection, enforcement, and public relations
- Principles of chemistry, groundwater chemistry, geology, hydrogeology, determinative bacteriology, public health, sanitation, and microbiology
- Quality assurance of data collection, interpreting water samples, and monitoring data
- Basic personal computer skills including word-processing, spreadsheets, and databases
- Map reading
- Technical writing
- Capability to work with DNR staff to perform all requirements described in this contract, including performing joint inspections.

7. DESCRIPTION OF ROLES AND RESPONSIBILITIES.

A. CONTRACTOR

The Contractor agrees to provide the following to the satisfaction of the Department:

1. The Contractor agrees to perform work functions designed to assure compliance with total coliform monitoring requirements at the systems specified in Appendix 1, in accordance with ss. NR 809.30 and 809.31, Wis. Adm. Code and as below. Specifically, Contractor agrees to the following:
 - a) Routine, increased, and reduced monitoring. Contractor agrees to collect and have analyzed routine, increased or reduced frequency total coliform bacteriological samples in accordance with requirements stated in s. NR 809.31 Wis. Adm. Code. All samples shall be analyzed at a laboratory certified by the Wisconsin Department of Agriculture, Trade and Consumer Protection for Safe Drinking Water Act analysis and which

reports the results electronically within 24 hours to the Department. Contractor may delegate collection of routine, increased, and reduced monitoring samples to system owner with the permission of the Department. If a system owner requests to collect the sample(s), the Contractor should consult with the Department regional office to make a determination. Contractor agrees to sample seasonal systems within the month prior, or the month after, or the month during their season begin date. In the event that a new system is identified, or an existing system is re-activated, the Contractor agrees to sample the system within 30 days before or after activation. New wells, newly constructed wells, and replacement wells at existing systems must be monitored within 30 days of activation.

- b) Monitoring Violations. Contractor agrees to send the appropriate Notice of Non-Compliance (NON) letters to the system owners for any monitoring violation resulting from failure to collect required samples during the monitoring period. Contractor will collect any required makeup sample in the first quarter of the year in addition to completing other monitoring requirements.
- c) Follow-up monitoring. If a compliance sample is total coliform positive, Contractor agrees to collect and have analyzed all follow-up samples in accordance with ss. NR 809.31(2) and NR 809.06, Wis. Adm. Code. Also, at least one follow-up sample shall be collected from each groundwater source. The triggered source samples must be collected before any chlorine treatment of the well(s). Contractor may delegate collection of follow-up samples to system owner, if necessary, but Contractor is still liable for the terms and conditions of this contract as per section 11. LIABILITY.
- d) If a system has a total coliform positive sample result followed by check and repeat samples that are total coliform negative, the Contractor must collect 3 additional routine samples during the next calendar month the system provides water to the public. If a system has a Maximum Contaminant Level (MCL) violation, the system will increase to monthly monitoring. Following an MCL violation, collection of the 3 additional routine samples is not required. If the system is closed for the season during a month requiring follow-up sampling, required samples should be collected as soon as possible the following season. The 3 additional routine samples may be collected on the same day and it is recommended that the 3 additional routine samples be collected at least two weeks after the post chlorination samples taken to return to compliance or bacteria free (refer to Section 7. A.1.i. of the contract) or after confirmation that the system is free of chlorine (chlorine test strip).

If a triggered groundwater source sample is positive for *E. coli*, the Contractor must collect 5 additional source samples from the same source within 24 hours of notification of the *E. coli* positive result and analyze the

additional samples for *E. coli*. If any one of the 5 additional source samples is *E. coli* positive, the system must take formal corrective action as specified in s. NR 809.327(2).

- e) *E. coli* testing. Contractor agrees to ensure that all total coliform positive samples are further analyzed for *E. coli* bacteria as required in s. NR 809.31(4), Wis. Adm. Code. Contractor agrees to send the appropriate Notice of Non-Compliance (NON) letters to the system owners for any monitoring violation resulting from failure to further analyze a total coliform positive sample for *E. Coli*.
- f) Maximum Contaminant Level (MCL) violations. In the event an *E. coli* MCL violation occurs as defined in s. NR 809.30(1) to (2), Wis. Adm. Code, Contractor agrees to notify the system owner and to monitor system corrective actions required in s. NR 809.30(3), Wis. Adm. Code and to send appropriate NON letters to the system owners.
- g) Follow-up Actions. Contractor agrees to perform a Level 2 Assessment at systems following an *E.Coli* MCL violation or a Level 1 Assessment Trigger as defined in s. NR 809.313. Contractor agrees to perform and complete the Level 2 Assessment within 30 days of the trigger event date and provide a copy of the completed assessment to the system owner and to Department staff. If a completed Level 2 Assessment is not reported within 30 days of a Level 1 Assessment trigger event, the Department will place the system on increased (monthly) monitoring. Contractor agrees to establish due dates for corrective actions identified during Level 2 Assessment. The Contractor will notify the Department and the system owner in writing of any extension given on the corrective action due date. The Contractor shall notify the Department of any water treatment installed for treatment of bacteria.
- h) Public Notification. Contractor agrees to notify system owners of public notification requirements and verify that notification is performed as required in ss. NR 809.950 to NR 809.954 Wis. Adm. Code, for all violations and to send appropriate NON letters for failure to public notice to the system owners if necessary.
- i) Return to Compliance or Bacteria Free. After the system has completed corrective actions and, if required, chlorinated their well and the chlorine has been completely flushed from the system for at least 24 hours, Contractor will collect at least two bacteria negative consecutive sets of samples (a set should consist of at least two samples and comprise a raw water sample and a sample from an approved distribution monitoring site), at least 24 hours apart. The Department may approve alternative sampling locations for the investigative samples.

Contractor agrees to notify the system and the Department in writing when the public notice following an MCL violation can be removed.

2. Contractor agrees to collect and have analyzed all nitrate samples at the systems listed in Appendix 1 in accordance with requirements stated in ss. NR 809.115(4) and (6), Wis. Adm. Code. All samples must be analyzed at a laboratory certified by the Department for Safe Drinking Water Act analysis and which reports the results electronically to the Department. Specifically:

- a) Routine monitoring. Contractor agrees to collect and have analyzed at least one nitrate routine compliance sample at each entry point per year in accordance with requirements of s. NR 809.115(4) (b) 3, Wis. Adm. Code. Contractor may delegate collection of routine monitoring samples to system owner with the permission of the Department. Contractor agrees to sample seasonal systems within the month prior, or the month after, or the month during their season begin date. In the event that a new system is identified, or an existing system is re-activated, the Contractor agrees to sample the system within 30 days before or after activation. New wells, newly constructed wells, and replacement wells at existing systems must also be monitored within 30 days of activation.

If a system listed in Appendix 1 is on increased nitrate monitoring, (quarterly or monthly) or is moved to increased monitoring for nitrate the Contractor will collect and have analyzed a nitrate sample for each monitoring period of the year that the facility is in operation.

The Contractor shall notify the Department of any water treatment installed for nitrate treatment.

- b) Monitoring Violations. Contractor agrees to send the appropriate Notice of Non-Compliance (NON) letters to the system owners for any monitoring violation resulting from failure to collect required samples during the monitoring period and will collect makeup samples as soon as possible.
- c) Follow-up monitoring. Contractor agrees to collect all follow-up samples in accordance with s. NR 809.115(6) (b), Wis. Adm. Code. In the event the routine compliance sample is greater than or equal to 10.5 mg/L and the system is not currently operating under the conditions of s. NR 809.11(3), Wis. Adm. Code, the Contractor agrees to collect a confirmation sample. The nitrate confirmation sample must be collected within 24 hours of the Contractor being notified of the routine sample results. If sample collection within 24 hours is not completed, the system must give public notice until the sample results are known. Contractor may delegate collection of confirmation samples to a system owner, if necessary, but Contractor is still liable for the terms and conditions of this contract as per section 11. LIABILITY.
- d) Maximum Contaminant Level (MCL) violations. When a nitrate MCL violation occurs per ss. NR 809.11(2) and NR 809.117(1) (d), Wis. Adm. Code, Contractor agrees to notify the system owner, and verify all required follow-up actions are performed, and to send appropriate NON letters to the system owners. Possible follow-up actions are as follows:

1. Systems with a confirmed nitrate MCL exceedance may continue to operate under s. NR 809.11(3), Wis. Adm. Code at the discretion of the Department. Contractor will consult with Department staff prior to sending NON letters to systems. The Department regional staff will determine if a system may continue to operate under s. NR 809.11(3).
 2. If the system owner decides to voluntarily pursue actions that will return the system to compliance (e.g., installing a new well or treatment device), the Contractor agrees to consult the Department regional staff. The Department regional staff will work with the Contractor to follow the tiered approach outlined in s. NR 812.37.
 3. If the Department does not permit continued operation under s. NR. 809.11(3), Wis. Adm. Code, the Contractor agrees to refer the system to the Department for enforcement.
- e) Public Notification. Contractor agrees to notify system owners of public notification requirements and verify that notification is performed as required in ss. NR 809.11(3) or NR 809.950 to NR 809.954 Wis. Adm. Code. Contractor agrees to send appropriate NON letters for failure to public notice to the system owners if necessary. Contractor will also provide system owners with copies of the nitrate advisory placard and inform the system owner of locations to post the placards. Contractor will require compliance with posting of nitrate warning placards and on an annual basis, will take photographs and provide the documentation to the Department that nitrate warning placards are posted appropriately and that repeat public notices are updated with current monitoring results.
- f) Return to Compliance. A system operating under the conditions of s. NR 809.11(3), Wis. Adm. Code may return to compliance, discontinue public noticing, and discontinue providing bottled water when two consecutive annual nitrate samples with results below 10.5 mg/L or four consecutive quarterly nitrate samples with results below 10.5 mg/L have been collected.

Contractor agrees to notify the system and the Department in writing when the system returns to compliance and the public notice can be removed.

3. Contractor agrees to collect and have analyzed all nitrite samples at systems with no prior nitrite sample collected in accordance with s. NR 809.115(5), Wis. Adm. Code. This includes but is not limited to, new systems, new wells, reconstructed wells, and any system that has not previously collected a nitrite sample. All samples must be analyzed at a laboratory certified by the Department for Safe Drinking Water Act analysis and which reports results electronically to the Department. The Contractor shall do all confirmation sampling if required in accordance with s. NR 809.115(6) (b), Wis. Adm. Code. The Contractor agrees to collect and have analyzed a nitrite sample each quarter of the year that the facility is in operation for all systems listed in Appendix 1 on quarterly monitoring for nitrite.

4. Annual Site Visit. Contactor agrees to perform an annual site visit at systems listed in Appendix 1 in accordance with s. NR 809.31 (1) (de), Wis. Adm. Code. Contractor agrees to complete the annual site visit and provide the Department a copy of the completed site visit form and date of the visit. Contractor agrees to follow-up on any corrective actions identified during the site visit. No annual site visit is required for systems that receive a sanitary survey, or a Level 2 assessment during the calendar year. Annual sites visits are not required at systems on routine (quarterly) or increased (monthly) monitoring.
5. Seasonal System Start-Up. Contractor agrees to keep a list of seasonal systems and their start-up dates. Contractor will inform seasonal systems of the start-up requirements in accordance with s. NR 809.31 (1) (dr), Wis. Adm. Code. Contractor agrees to track systems that complete and certify system start-up procedures through a report provided by the Department. Contractor agrees to notify systems of their start-up requirements through one or more of the following methods: by phone, email and or letter. Contractor agrees to notify the Department when systems complete their certification as required in s. NR 809.80 (9m), Wis. Adm. Code. Systems that fail to perform and certify completion of system start-up procedures will receive a treatment technique violation and will be placed on increased (monthly) monitoring.
6. Sanitary Surveys. Contractor agrees to perform Sanitary Surveys of systems listed in Appendix 1 within five years from the date of the last inspection. A minimum of 20% of the inventory should be inspected each year. New and re-activated existing systems must have a sanitary survey completed within 90 days of activation. Existing systems with new wells, newly constructed wells, or replacement wells must also be inspected within 90 days of the well activation. The sanitary survey must be done in accordance with the process prescribed by the Department in the ***Transient Non-Community Sanitary Surveys Draft Guidance***, which includes completing a Pre-Survey Report checklist, an inspection of the system for compliance with ch. NR 812, Wis. Adm. Code, and completion of an assessment letter that addresses any non-complying features (e.g. deficiencies) found during the inspection. The Contractor agrees to provide the system owner with documentation of the Sanitary Survey in writing and to provide a copy to the Department. The Contractor agrees to use the electronic County Sanitary Survey system to obtain Pre-Survey Reports, create Assessment letters, and transfer survey data to the Department. As part of each water system sanitary survey, the Contractor agrees to prepare a monitoring site plan on the form provided by the Department and to provide photos of the facility taken during the sanitary survey. The Contractor agrees to submit the completed monitoring site plan form and photos to the Department along with the sanitary survey report, and provide a copy to the system. The Contractor agrees to work with Department regional staff to correct any omissions or changes that should be made to a sanitary survey report following a Department review. The Contractor agrees to follow-up on necessary corrections according to corrective action

deadlines, to document, in writing, when a system has returned to compliance, and to provide a copy of the documentation to the Department and the system owner. If the well needs to be replaced, upon Contractor request, Department will work jointly with the Contractor in enforcing the requirement.

- a) The Contractor agrees to pursue proper filling and sealing of unused or contaminated wells and completion of the well Filling and Sealing reports, or Form 3300-005, as required by s. NR 812.26, Wis. Adm. Code.
 - b) The Contractor will verify that a Wisconsin Unique Well Number has been assigned. If a Wisconsin Unique Well Number has not previously been assigned, the Contractor will assign a number or work with the Department to assign a number.
 - c) The Contractor shall notify the Department of all water treatment in use at each water system, regardless of the purpose of the treatment (e.g. aesthetic, corrosion control, continual disinfection, nitrate reduction). The Contractor will work with Department regional staff and the water system to obtain approvals required per s. NR 812.37.
7. Reporting Requirements. Contractor agrees to provide required reports in a format acceptable to the Department.
- a) Sample results. Contractor agrees to use a laboratory which provides monitoring results electronically directly to the Department in a format acceptable to the Department as required by s. NR 809.80(4) (a), Wis. Adm. Code. Contractor agrees to use a laboratory that reports microbiological results to the Department within 24 hours of the time the results are obtained by the laboratory as required by s. NR 809.80(4)(b), Wis. Adm. Code. Contractor is responsible for providing sample results to the system owners. Nitrate and nitrite MCL exceedance(s) must be reported by the laboratory to the system owners within 48 hours of the time the results are obtained as required by s. NR 149.47(1)(f), Wis. Adm. Code. Contractor agrees to maintain sample results on file for at least five years. Contractor shall inform the owner of record retention requirements for owner, including 5 years for bacteria sample results and 10 years for chemical samples results, per s. NR 809.82(1), Wis. Adm. Code.
 - b) Nitrate, Nitrite, Coliform MCL reporting. Contractor agrees to notify the appropriate Department regional office of total coliform positive samples and MCL violations as soon as confirmed. This contact should be done by telephone or e-mail. The method of contact should be pre-established with the Department regional office.
 - c) Public notices. Contractor agrees to obtain, provide a copy to the Department, and maintain on file for at least five years, copies of all public notice certifications for facilities with nitrate, nitrite, *E. coli* MCL and monitoring violations and treatment technique violations. Public notice

certifications should be forwarded to the appropriate Department regional office within five days of receipt, by the Contractor.

- d) Notices of Non-Compliance. Contractor agrees to issue NONs to system owners, provide a copy to the Department, and maintain on file for at least five years. NONs that may be issued to a system include notice(s) of non-compliance for MCL violations, treatment technique violations, public notice violations, and monitoring and reporting violations. Copies of NONs should be forwarded to the appropriate Department regional office, within five days of issuance.
 - e) Sanitary survey reports. Contractor agrees to fully document all sanitary surveys of systems and follow-up in accordance with Department policy and guidance and provide copies of sanitary survey reports to the Department and system, within 30 days of completing the sanitary survey. Contractor agrees to maintain sanitary survey reports on file for at least five years.
 - f) Inventory updates. Contractor agrees to maintain up-to-date system inventory information, including identification of systems not currently on the Department's inventory, and to provide copies of all inventory changes to the Department on a monthly basis. Contractor will check to ensure that all contact information for seasonal systems is accurate and correct, including addresses, emails, and phone numbers for system owners. Inventory updates shall be provided on the Inventory Information for Non-community Public Water Systems form, or via the electronic sanitary survey system if updates are part of a formal sanitary survey. New systems should have a sanitary survey completed within 90 days of being activated.
 - g) Seasonal System Start up. Contractor agrees to notify the Department of anticipated start-dates for seasonal systems. Contractor will notify the Department when systems complete and certify start-up procedures. Contractor will report the system name and identification number, date procedure was performed and the date the system opened for business.
 - h) Annual Site Visits. Contractor agrees to notify the Department of completed annual site visits. Contractor will report the system name and identification number and date of the annual site visit. Contractor agrees to document all annual site visits and follow-up in accordance with Department policy and guidance and provide copies of annual site visit reports to the Department and system. Contractor will keep a record of the system annual site visit on file for a minimum of five years.
8. Compliance. Contractor agrees to request system compliance with applicable State codes which address water quality monitoring and the visible portion of the well and pump installation. In instances where Contractor is unable to gain compliance or where additional technical advice is necessary, upon

Contractor request, the Department agrees to offer Contractor technical assistance or stepped enforcement as necessary to achieve compliance.

9. Training. Contractor agrees to send staff to annual trainings provided by the Department. If the Contractor is unable to send staff to trainings due to travel costs or other issues, the Contractor will inform the Department in advance. The Contractor agrees to perform joint inspections when requested by the Department.

B. DEPARTMENT OF NATURAL RESOURCES

1. Technical Assistance. Upon Contractor request, the Department agrees to provide technical assistance to the Contractor in the evaluation of a system for compliance with chs. NR 809, NR 810, and NR 812, Wis. Adm. Code. The following are examples of when the Department may provide assistance:
 - a) Contractor has conducted follow-up sampling at a system with a well that has been bacteriologically positive for a minimum of three consecutive months and/or the well has been unsuccessfully chlorinated at least twice.
 - b) Contractor requests a joint inspection with Department staff to evaluate an unusual well and/or pump installation or to conduct a large volume sample collection.
2. System Notifications. If a system's monitoring requirements change, Department will notify the Contractor who will notify the system owner of the new sampling requirements and schedule. Department will also assist Contractor in notifying seasonal systems of start-up procedures by providing Contractor a list of seasonal systems, a report with system start-up requirements and start-up booklets. All seasonal system certifications will be returned to the Department and the Department will be responsible for tracking completion and certification of the procedure. Department will send systems that are collecting their own samples a NON if they fail to collect their samples.
3. Department enforcement. If Contractor is unable to gain voluntary compliance, upon Contractor request, the Department may initiate enforcement proceedings. Referral requests must be made using the Violation Referral sheet. Following are examples where the Department will agree to initiate enforcement:
 - a) The system owner refuses to upgrade a non-complying well or pump feature and the time lapsed is three months after the return to compliance date specified by the Contractor.
 - b) There have been numerous disinfections that haven't solved the problem and/or the system is blaming the county's sampling techniques for the Total Coliform positive sample results.
 - c) A system has a confirmed nitrate sample result greater than 20.5 mg/l.

4. Training. The Department agrees to provide access to annual continuing education for the Contractor. Contractor agrees to send staff implementing the transient non-community drinking water program to Department certified training. The Department strongly encourages several joint inspections annually with Contractor staff for training purposes and to insure consistency with Department performance standards. Contractor staff new to the county contract program should complete a minimum of four joint inspections with Department staff.
8. PAYMENT. The Contractor, for contract activities completed satisfactory to the Department, shall receive compensation based on inspection and water quality monitoring activities performed. Payment shall be rendered in quarterly payments:

March – ¼ of contract will be advanced to Contractor.

June - ¼ of contract will be advanced to Contractor.

September – ¼ of contract will be advanced to Contractor.

December/January -During the 4th quarter the Contractor must submit an invoice and a system inventory with documentation of number of systems sampled and inspected during the year. Adjustment and reimbursement will be made based on previous advances and actual work completed.

- A. The amount of final yearly reimbursement shall be based on the following:
 1. \$175 per inventoried system.
 2. \$30 per annual site visit. Systems on quarterly or monthly monitoring or that have a sanitary survey or a Level 2 performed during the year do not require an annual site visit.
 3. \$10 per seasonal system listed in Appendix 1.
 4. \$100 for each Level 2 Assessment performed plus \$50 for the extra trip required to perform any follow-up sampling at the time of the assessment.
 5. \$35 for each additional nitrate sample for those systems with multiple entry points or systems with quarterly, monthly, or raw water nitrate compliance sample requirements that is greater than one per year.
 6. \$35 for each additional bacteria compliance sample for systems with quarterly, monthly, or raw water bacteria requirements that is greater than one per year.
 7. \$50 per extra trip required for additional samples due to elevated results and mandatory follow-up items. The Contractor is required to provide the facility identification number and name, date and reason for follow-up visits in order to qualify for extra trip reimbursement.
 8. \$70 for a nitrate check sample when a rapid analysis by the lab should be requested.

9. \$200 for attending the Department led annual training.

- B. In the event the Contractor has not fulfilled the contract, without reasonable explanation, the payment shall be reduced in direct proportion to the unfinished work. Reduction shall be as follows:

Sanitary Survey -\$105

Coliform Monitoring -\$35

Nitrate Monitoring -\$35

Annual Site Visit - \$30

Nitrite Monitoring -\$35 -Only for facilities with no previous sample.

Level 2 Assessment - \$100

Seasonal Systems - \$10

Sanitary surveys must be completed in accordance with section 7.A.6. of this contract in order to receive full payment of \$105.

9. RECORDS, ACCESS. The Contractor shall, for a period of five years, and after completion and acceptance by the Department, maintain books, records, documents and other evidence directly pertinent to performance on work under this contract in accordance with generally accepted accounting principles and practices. The Contractor shall also maintain the financial information and data used in the preparation or support of the cost submission in effect on the date of execution of this contract and a copy of the cost summary submitted to the Department. The Department shall have access to such books, records, documents, and other evidence for the purpose of inspection, audit and copying. The Contractor shall provide proper facilities for such access and inspection. In addition, those records which relate to any dispute, appeal or litigation, or the settlement of claims arising out of such dispute, performance, or costs or items to which an audit exception has been taken shall be maintained and made available until three years after the date of resolution of such dispute, appeal, litigation, claim or exception. Should the contract be terminated by either party, the Contractor shall relinquish all water system records to the Department.
10. INDEPENDENT CONTRACTOR. The Department agrees that the Contractor shall have sole control of the method, hours worked, and time and manner of any performance under this contract other than as specifically provided herein. The Department reserves the right to inspect the job site or premises for the purpose of insuring that the performance is progressing or has been completed in compliance with the contract. The Department takes no responsibility for supervision or direction of the performance of the contract to be performed by the Contractor or the Contractor's employees or agents. The Department further agrees that it will exercise no control over the selection and dismissal of the Contractor's employees or agents.
11. LIABILITY. The work to be performed under this contract is to be performed entirely at Contractor's risk. Contractor hereby assumes all liability with all work and all services to be provided by the Contractor under this contract.

12. **INSURANCE RESPONSIBILITY.** The Contractor performing services for the State of Wisconsin shall:

- A. Maintain worker's compensation insurance as required by Wisconsin Statutes for all employees engaged in the work.
- B. Maintain commercial liability, bodily injury and property damage insurance against any claim(s) which might occur in carrying out this agreement/contract. Minimum coverage shall be one million dollars (\$1,000,000) liability for bodily injury and property damage including products liability and completed operations. Provide motor vehicle insurance for all owned, non-owned and hired vehicles that are used in carrying out this contract. Minimum coverage shall be one million dollars (\$1,000,000) per occurrence combined single limit for automobile liability and property damage.
- C. The state reserves the right to require higher or lower limits where warranted.

13. **NON-DISCRIMINATION / AFFIRMATIVE ACTION.** In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01(5), Wis. Stats., sexual orientation as defined in s. 111.32(13m), Wis. Stats., or national origin. This provision 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. Except with respect to sexual orientation, the Contractor further agrees to take affirmative action to ensure equal employment opportunities.

- A. Contracts estimated to be over fifty thousand dollars (\$50,000) require the submission of a written affirmative action plan by the Contractor. An exemption occurs from this requirement if the Contractor has a workforce of less than fifty (50) employees. Within fifteen (15) working days after the contract is awarded, the Contractor must submit the plan to the contracting state agency for approval. Instructions on preparing the plan and technical assistance regarding this clause are available from the contracting state agency.
- B. The Contractor agrees to post in conspicuous places, available for employees and applicants for employment, a notice to be provided by the contracting state agency that sets forth the provisions of the State of Wisconsin's nondiscrimination law.
- C. Failure to comply with the conditions of this clause may result in the Contractor's becoming declared an "ineligible" contractor, termination of the contract, or withholding of payment.
- D. Pursuant to s. 16.75(10p), Wis. Stats., Contractor agrees it is not, and will not for the duration of the contract, engage in a prohibited boycott of the State of Israel as defined in s. 20.931(1)(b). State agencies and authorities may not execute a

contract and reserve the right to terminate an existing contract with a company that is not compliant with this provision. This provision applies to contracts valued \$100,000 or over.

- E. Pursuant to 2019 Wisconsin Executive Order 1, Contractor agrees it will hire only on the basis of merit and will not discriminate against any persons performing a contract, subcontract or grant because of military or veteran status, gender identity or expression, marital or familial status, genetic information or political affiliation.

14. **APPLICABLE LAW.** This contract shall be governed under the laws of the State of Wisconsin. The contractor shall at all times comply with and observe all federal and state laws, local laws, ordinances, and regulations which are in effect during the period of this contract and which in any manner affect the work or its conduct.

15. **TAXES.** The State of Wisconsin and its agencies are exempt from payment of all federal tax and Wisconsin state and local taxes on its purchases except Wisconsin excise taxes as described below. The State of Wisconsin, including all its agencies, is required to pay the Wisconsin excise or occupation tax on its purchase of beer, liquor, wine, cigarettes, tobacco products, motor vehicle fuel and general aviation fuel. However, it is exempt from payment of Wisconsin sales or use tax on its purchases. The State of Wisconsin may be subject to other states' taxes on its purchases in that state depending on the laws of that state. Contractors performing construction activities are required to pay state use tax on the cost of materials.

16. **TAX DELINQUENCY.** Contractors who have a delinquent Wisconsin tax liability may have their payments offset by the State of Wisconsin.

17. **PAYMENT TERMS AND INVOICING.** The State of Wisconsin normally will pay properly submitted vendor invoices within thirty (30) days of receipt providing goods and/or services have been delivered, installed (if required), and accepted as specified. A good faith dispute creates an exception to prompt payment.

18. **ANTITRUST ASSIGNMENT.** The Contractor and the Department recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the Department. Therefore, the Contractor hereby assigns to the Department any and all claims for such overcharges as to goods, materials or services purchased in connection with this contract.

19. **FUNDING SOURCE.** This agreement is funded wholly by grants from the Drinking Water State Revolving Loan Fund Local Assistance Set-Aside Grant, CFDA# 66.468. Neither the United States nor the Environmental Protection Agency is a party to this agreement. This agreement will be subject to regulations contained in 2 CFR 200 where applicable. The Contractor is responsible for ensuring these regulations are applied accordingly.

- A. Single Audit: As required in 2 CFR 200.501, a non-Federal entity that expends \$1,000,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in

accordance with the provisions of this part. The Contractor is responsible for ensuring that the audit complies with other standards that may be applicable depending on the types of services provided, and the nature and amount of financial reimbursement received. When a single audit is required, it shall be submitted to DNR via e-mail to: DNRFNSingleAudit@Wisconsin.gov and include The State Single Audit Guidelines (SSAG), including the yearly Appendix, which are applicable to Local Governments having 2 CFR Part 200.

20. ADDENDUM: Additional conditions are attached as Appendix B Administrative Conditions, as part of the federal Grant Agreement No.FS-98597723-0 funding this award. It is the responsibility of the Contractor to determine which, if any, of the Federal Administrative Conditions may be relevant to the Contractor or their sub awards, and to apply them accordingly.

		STATE OF WISCONSIN DEPARTMENT OF NATURAL RESOURCES
Date	11/21/2024 12:31 PM CST	By: <i>Christopher Babal</i> <small>05C290B5BC6A4B0...</small>
		Title: Purchasing Section Manager
		CONTRACTOR
Date		By: _____
		Title: _____

Appendix A

COUNTY	PWS ID	PWS NAME	SEASONAL STATUS	CITY
Sauk	15711014	ALDO LEOPOLD LEGACY CENTER		BARABOO
Sauk	15708979	ANITAS CAFE		SPRING GREEN
Sauk	15711982	ANTIQUE MALL		BARABOO
Sauk	15703006	ARTHURS SUPPER CLUB		SPRING GREEN
Sauk	15703127	BARABOO RV RESORT	SEASONAL	BARABOO
Sauk	15702379	BETHLEHEM UNITED METHODIST		SAUK CITY
Sauk	15701180	BRANDING IRON		LIME RIDGE
Sauk	15712642	BROKEN BOTTLE WINERY		BARABOO
Sauk	15710541	BRONCO BILLYS		BARABOO
Sauk	15712279	CAMP GRAY INC DINING HALL		REEDSBURG
Sauk	15712345	CAMP GRAY INC GYMNASIUM		REEDSBURG
Sauk	15703094	CAMP GRAY INC ST JOHN SHOWER BUILDING		REEDSBURG
Sauk	15703072	CAMP GRAY INC ST PETER & PAUL BUNKHOUSE		REEDSBURG
Sauk	15709958	CHAPPARAL CAMPGROUND	SEASONAL	WONEWOC
Sauk	15712620	CHAPPARAL CMPGD LOWER WELL	SEASONAL	WONEWOC
Sauk	15703754	CHARLIES LAKESIDE COUNTRY STORE		MERRIMAC
Sauk	15708121	CHRISTMAS MT CLUBHOUSE		WISCONSIN DELLS
Sauk	15703710	CHRISTMAS MT COTTAGES		WISCONSIN DELLS
Sauk	15708066	CHRISTMAS MT LOG CABINS		WISCONSIN DELLS
Sauk	15708110	CHRISTMAS MT OAK VILLAS/TRADING POST		WISCONSIN DELLS
Sauk	15709210	CHRISTMAS MT PINE VILLAS 1-18		WISCONSIN DELLS
Sauk	15708077	CHRISTMAS MT PINE VILLAS 19-44		WISCONSIN DELLS
Sauk	15708528	CHRISTMAS MT PRV SITE		WISCONSIN DELLS
Sauk	15708088	CHRISTMAS MT REGISTRATION & RESTAURANT		WISCONSIN DELLS
Sauk	15703655	CHRISTMAS MT SALES		WISCONSIN DELLS
Sauk	15703666	CHRISTMAS MT TOWNHOMES		WISCONSIN DELLS
Sauk	15703732	CLUB 33 LLC		LA VALLE
Sauk	15703204	CLUB CHAPPARAL		WONEWOC
Sauk	15705833	CORNERSTONE MISSIONARY BAPTIST CHURCH		REEDSBURG
Sauk	15711630	COUNTRY BUMPKIN FARM MARKET	ALL YEAR	WISCONSIN DELLS
Sauk	15701928	COUNTRY ROAD RV PARK LLC	SEASONAL	LAKE DELTON
Sauk	15703457	CULVERS RESTAURANT		SPRING GREEN
Sauk	15702599	DELL PINES CMPGD WELL 1		WISCONSIN DELLS
Sauk	15710651	DELL PINES CMPGD WELL 2	SEASONAL	WISCONSIN DELLS
Sauk	15706548	DEVILS HEAD RESORT HIGHRISE		MERRIMAC
Sauk	15711476	DOUBLE K D RANCH BUD KD WELL	SEASONAL	BARABOO
Sauk	15709265	DOUBLE K D RANCH LOWER D WELL	SEASONAL	BARABOO
Sauk	15704194	DOUBLE K D RANCH SHOWER BLDG WELL	SEASONAL	BARABOO

Sauk	15704832	DUTCH HOLLOW LAKE CAMPGROUND	SEASONAL	LA VALLE
Sauk	15704843	DUTCH HOLLOW LAKE CLUBHOUSE		LA VALLE
Sauk	15712961	EDERERS DO IT BEST		PLAIN
Sauk	15704260	EXPEDITIONS UNLTD - ADVENTURE CTR		BARABOO
Sauk	15711366	EXPEDITIONS UNLTD - CABINS		BARABOO
Sauk	15703160	EXPEDITIONS UNLTD CAMPGROUND	SEASONAL	BARABOO
Sauk	15712026	FAIRFIELD GOLF COURSE		BARABOO
Sauk	15702027	FLOORING CENTER		BARABOO
Sauk	15703677	FOUR WINDS MOTEL		BARABOO
Sauk	15703105	FOX HILL RV PARK 1		BARABOO
Sauk	15710827	FOX HILL RV PARK 2	SEASONAL	BARABOO
Sauk	15712587	FOX HILL RV PARK 3	SEASONAL	BARABOO
Sauk	15712895	FOX HILL RV PARK 4	SEASONAL	BARABOO
Sauk	15703688	FRANKIES		BARABOO
Sauk	15710981	GLACIER RIDGE CONDOMINIUMS		MERRIMAC
Sauk	15709155	GREEN VALLEY CAMPGROUND	SEASONAL	BARABOO
Sauk	15705404	HARTJE CENTER		REEDSBURG
Sauk	15703490	HARTJES INC		LA VALLE
Sauk	15712928	HILLPOINT COUNTRY STORE		HILLPOINT
Sauk	15702951	HILLPOINT HIDEAWAY		HILLPOINT
Sauk	15703325	HOT DOG AVENUE 2		SAUK CITY
Sauk	15702390	INTERNATIONAL CRANE FOUNDATION GATEWAY VISITORS		BARABOO
Sauk	15707835	INTERNATIONAL CRANE FOUNDATION OFFICE		BARABOO
Sauk	15701323	ISHNALA SUPPER CLUB	SEASONAL	LAKE DELTON
Sauk	15703347	JUNIORS TAVERN		NORTH FREEDOM
Sauk	15709144	KINGDOM HALL OF JEHOVAHS WITNESSES		BARABOO
Sauk	15708770	KOENECKE FORD MERCURY		REEDSBURG
Sauk	15706339	LIVING HOPE CHURCH		BARABOO
Sauk	15703952	MERRY MACS CAMP N - POOL	SEASONAL	MERRIMAC
Sauk	15708924	MERRY MACS CAMP N - STORE	ALL YEAR	MERRIMAC
Sauk	15703941	MERRY MACS CAMP N CAMPGROUND WELLS	SEASONAL	MERRIMAC
Sauk	15710904	MERRY MACS CAMP N CMPGD WELL 2	SEASONAL	MERRIMAC
Sauk	15712906	MERRY MACS CAMP N EXPANSION WELL	SEASONAL	MERRIMAC
Sauk	15700718	MID CONTINENT RAILROAD MUSEUM	ALL YEAR	NORTH FREEDOM
Sauk	15702467	MID-STATE EQUIPMENT SAUK PRAIRIE		PRAIRIE DU SAC
Sauk	15704425	MOON VALLEY RESORT		MERRIMAC
Sauk	15710035	MOTEL 6		LAKE DELTON
Sauk	15711124	MOUNTAIN FAITH CHURCH		LAKE DELTON
Sauk	15710893	NATURES TOUCH CAMPGROUND REC HALL	SEASONAL	WISCONSIN DELLS
Sauk	15702181	NATURES TOUCH CAMPGROUND SHOWER	SEASONAL	WISCONSIN DELLS
Sauk	15712213	NEW LIFE LAVENDER		BARABOO
Sauk	15706570	OLD SCHOOLHOUSE SPECIAL EVENTS		MERRIMAC

Sauk	15702830	PIONEER PARK - CLUBHOUSE WELL		LAKE DELTON
Sauk	15709672	PIONEER PARK COMFORT STA 1	SEASONAL	LAKE DELTON
Sauk	15709683	PIONEER PARK COMFORT STA 2	SEASONAL	LAKE DELTON
Sauk	15706317	PIONEER PARK NE CORNER	SEASONAL	LAKE DELTON
Sauk	15702819	PIONEER PARK POOL	SEASONAL	LAKE DELTON
Sauk	15712059	PLENKES POND		REEDSBURG
Sauk	15704865	POOR NATES		REEDSBURG
Sauk	15700806	PRAIRIE DU SAC TOWN HALL		PRAIRIE DU SAC
Sauk	15711597	PREM MEATS		SPRING GREEN
Sauk	15700817	RED OAK CAMPGROUND	SEASONAL	BARABOO
Sauk	15711157	RED OAK CAMPGROUND - SHOWER HOUSE	SEASONAL	BARABOO
Sauk	15702445	REDSTONES NORTHEND		LA VALLE
Sauk	15710783	REEDSBURG COUNTRY CLUB RESTROOM	SEASONAL	REEDSBURG
Sauk	15712048	REEDSBURG SOUTH PARK WELL		REEDSBURG
Sauk	15710486	RITEWAY OF SPRING GREEN LLC		SPRING GREEN
Sauk	15703776	RIVER VALLEY MOBIL		SPRING GREEN
Sauk	15700729	RIVER VALLEY VETERINARY CLNC		PLAIN
Sauk	15703787	ROUND BARN LODGE & RESTAURANT		SPRING GREEN
Sauk	15708033	SAMS AIRPORT DINER		SPRING GREEN
Sauk	15711795	SAND TRAP BAR & GRILL		WISCONSIN DELLS
Sauk	15703435	SANDUSKY UNITED METHODIST		LIME RIDGE
Sauk	15704216	SAUK CO LAKE REDSTONE COUNTY PARK BEACH	SEASONAL	LA VALLE
Sauk	15708726	SAUK CO LAKE REDSTONE COUNTY PARK PARKING LOT	SEASONAL	LA VALLE
Sauk	15712972	SAUK CO WHITE MOUND HORSE CAMPGROUND	SEASONAL	HILLPOINT
Sauk	15704293	SAUK CO WHITE MOUND PARK CAMPGROUND	SEASONAL	HILLPOINT
Sauk	15712400	SAUK CO WHITE MOUND PARK OFFICE WELL		HILL POINT
Sauk	15711289	SAUK PRAIRIE SMALL ANIMAL HOSPITAL		PRAIRIE DU SAC
Sauk	15703358	SHELLTER BAR AND GRILL		NORTH FREEDOM
Sauk	15702368	SHOP THE		SAUK CITY
Sauk	15711311	SKI-HI FRUIT FARM INC	ALL YEAR	BARABOO
Sauk	15703149	SKILLET CREEK CAMPGROUND	SEASONAL	BARABOO
Sauk	15712983	SKILLET CREEK FOOD STAND WELL	SEASONAL	BARABOO
Sauk	15701466	SKYVIEW MOTEL		PRAIRIE DU SAC
Sauk	15703600	SPRING GREEN MOTEL		SPRING GREEN
Sauk	15711806	SPRING GREEN MOTEL & RESTAURANT		SPRING GREEN
Sauk	15703237	ST BONIFACE CATHOLIC CHURCH		LIME RIDGE
Sauk	15701279	ST JOHN EV LUTHERAN CHURCH		NORTH FREEDOM
Sauk	15702929	ST JOHNS EVANGELICAL LUTHERAN		HILL POINT
Sauk	15703424	ST PATRICK CATHOLIC CHURCH		LIME RIDGE
Sauk	15702918	ST PAULS LUTHERAN CHURCH		HILLPOINT
Sauk	15702236	STOECKMANN PROPERTY		ROCK SPRINGS

Sauk	15709716	SUBWAY		SPRING GREEN
Sauk	15706449	SWIM REEDSBURG		REEDSBURG
Sauk	15708517	TRINITY EV LUTHERAN CHURCH		LIME RIDGE
Sauk	15702214	TUCK A WAY CMPGD	SEASONAL	NORTH FREEDOM
Sauk	15712521	TUMBLED ROCK BREWERY & KITCHEN		BARABOO
Sauk	15701191	UGLY COYOTE SALOON		NORTH FREEDOM
Sauk	15702984	UNITED METHODIST CHURCH		LIME RIDGE
Sauk	15711300	UNITED PARCEL SERVICE		BARABOO
Sauk	15702434	VALTON FRIENDS CHURCH		WONEWOC
Sauk	15704788	VILLA INN		HILLPOINT
Sauk	15703193	WI DELLS KOA CMPGD LOWER WELL	SEASONAL	WISCONSIN DELLS
Sauk	15709463	WI DELLS KOA CMPGD UPPER WELL	SEASONAL	WISCONSIN DELLS
Sauk	15703820	WILLOWOOD INN		BARABOO
Sauk	15703611	WISCONSIN RIVERSIDE CMPGD		SPRING GREEN
Sauk	15712246	WISCONSIN RIVERSIDE CMPGD - WADING POND WELL	SEASONAL	SPRING GREEN
Sauk	15702698	YOGI BEARS JELLYSTONE PARK #1 COMFORT STATION	SEASONAL	WISCONSIN DELLS
Sauk	15702709	YOGI BEARS JELLYSTONE PARK #2 COMFORT STATION	SEASONAL	WISCONSIN DELLS
Sauk	15709639	YOGI BEARS JELLYSTONE PARK #3 COMFORT STATION	SEASONAL	WISCONSIN DELLS
Sauk	15700058	YOUNGS FIRST STOP		BARABOO
Sauk	15703248	ZION LUTHERAN CHURCH		ROCK SPRINGS

Appendix B: Administrative Conditions

General Terms and Conditions

The recipient agrees to comply with the current EPA general terms and conditions available at: <https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2022-or-later>.

These terms and conditions are in addition to the assurances and certifications made as a part of the award and the terms, conditions, or restrictions cited throughout the award.

The EPA repository for the general terms and conditions by year can be found at: <https://www.epa.gov/grants/grant-terms-and-conditions#general>.

A. Correspondence Condition

The terms and conditions of this agreement require the submittal of reports, specific requests for approval, or notifications to EPA. Unless otherwise noted, all such correspondence should be sent to the following email addresses:

Federal Financial Reports (SF-425): rtpfc-grants@epa.gov and tukes.michael@epa.gov
MBE/WBE reports (EPA Form 5700-52A): Michael Tukes – DBE Coordinator at tukes.michael@epa.gov and region5closeouts@epa.gov.

All other forms/certifications/assurances, Indirect Cost Rate Agreements, Requests for Extensions of the Budget and Project Period, Amendment Requests, Requests for other Prior Approvals, updates to recipient information (including email addresses, changes in contact information or changes in authorized representatives) and other notifications:

Andrew Bielanski at bielanski.andrew@epa.gov and Michael Tukes at tukes.michael@epa.gov.

Payment requests (if applicable): Andrew Bielanski at bielanski.andrew@epa.gov
Quality Assurance documents, workplan revisions, equipment lists, programmatic reports and deliverables: Andrew Bielanski at bielanski.andrew@epa.gov

B. Pre-award Costs

In accordance with 2 CFR 1500.9, the grantee may charge pre-award costs (both Federal and non-Federal matching shares) incurred from **7/1/2023** to the actual award date provided that such costs were contained in the approved application and all costs are incurred within the approved budget period.

Programmatic Conditions

FFY 2023 DWSRF Base Programmatic Terms and Conditions

A. Payment Schedule

The recipient agrees to accept grant funds that will be released by EPA utilizing the ASAP payment method.

B. State Match

The recipient agrees to deposit into its State Revolving Fund (SRF) a match equal to at least 20 percent of the amount awarded in the capitalization grant.

C. Intended Use Plan and Operating Agreement

The entire contents of the SFY 2023 Intended Use Plan (IUP) and (if applicable) the Operating Agreement (OA) are incorporated hereto by reference and made a part of this Assistance Agreement.

D. Amended Cash Draw Proportionality

As of November 18, 2022, recipients are no longer required to comply with the cash draw rules in the Clean Water State Revolving Fund (CWSRF) regulations at 40 CFR 35.3155(d)(5)(i) and (ii) and 40 CFR 35.3160(b)(2)-(4) and Drinking Water State Revolving Fund (DWSRF) regulations at 40 CFR 35.3560(f) and (g) and 40 CFR 35.3565(b). For further details on this change, see the linked [notification memo](#) from Division Directors Raffael Stein and Anita Maria Thompkins dated November 30, 2022.

E. Set-Aside Work Plan

The recipient agrees to perform the activities identified and specified in the work program plan, which is made part of this Assistance Agreement.

F. Set-Aside Sub-Grants and Contracts

The recipient shall provide or make available to the Region 5 Project Officer copies of the work plans associated with grants and contracts that it may enter into with other agencies and organizations related to activities conducted under this grant. In its semi-annual report, the grant recipient shall include a summary description of activities completed under grants and contracts entered into with funds made available under the grant.

G. Travel

EPA approves the use of Federal funds for travel budgeted in capitalization grants for implementing the Drinking Water SRF (DWSRF) program. The recipient agrees to use Federal funds to participate in training and professional development activities integral to the effective implementation and management of the DWSRF program.

H. SRF Data System and Public Health Benefits Reporting

The recipient agrees to input data, as required by EPA, into the SRF Data System. The recipient of funds for the State Revolving Funds (SRF) from the Consolidated Appropriations Act, 2023, P.L. 117-164, agrees to comply with all requests for data related to the use of the funds under Section 1452 of the Safe Drinking Water Act (SDWA), and to report all uses of the funds no less than quarterly, as the Environmental Protection Agency specifies for the SRF Data System. This reporting shall include but not be limited to data with respect to compliance with the DWSRF discretionary Green Project Reserve and additional subsidization requirements as specified in P.L. 117-328. EPA agrees to provide technical assistance to the State in its use of the SRF Data System.

I. Annual Reporting

In accordance with 2 CFR 200.328 and 40 CFR 35.3570, the recipient agrees to provide in its Annual Report information regarding key project characteristics, milestones, and environmental/public health protection results in the following areas:

1) achievement of the outputs and outcomes established in the IUP; 2) the reasons for delays if established outputs or outcomes were not met; 3) any additional pertinent information on environmental/public health results; 4) compliance with the Green Project Reserve discretionary requirement; and 5) use of additional subsidization.

J. Set-Aside Reporting

The recipient agrees to provide to the Region 5 Project Officer an annual report on the set-aside activities funded under this grant. These reports shall be provided on September 30th of each year the grant is in effect.

K. Program Income from Administrative Fees

The recipient agrees to maintain program income resulting from program operations generated during the project period (e.g., administrative fees collected from DWSRF project loan recipients) in an account separate from the DWSRF project loan fund. In addition, the recipient agrees that such program income shall be used only for purposes related to the administration of the DWSRF program or other purposes authorized pursuant to EPA regulations.

L. SIGNAGE

The recipient agrees to comply with the SRF Signage Guidelines in order to enhance public awareness of EPA assistance agreements nationwide. (See ["Guidelines for Enhancing Public Awareness of SRF Assistance Agreements,"](#) June 3, 2015.)

M. Full Lead Service Line Replacement

The recipient agrees to ensure that any project funded in whole or in part under this capitalization grant involving lead service line replacement must replace the entire lead service line, not just a portion, unless a portion has already been replaced or is concurrently being replaced with another funding source.

N. Green Project Reserve

The recipient agrees that the funds provided by this capitalization grant may, at the discretion of the recipient, be used for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities.

O. Additional Subsidization

In *addition* to the disadvantaged community additional subsidy that *must* be provided as described in section 1452(d) of the SDWA, the recipient agrees to use 14 percent of the funds made available in the capitalization grant to provide additional subsidy to eligible recipients in the form of forgiveness of principal, negative interest loans, or grants (or any combination of these) which shall be used only:

where such funds are provided as initial financing for an eligible recipient or to buy, refinance, or restructure the debt obligations of eligible recipients only where such debt was incurred after December 29, 2022, or

where such debt was incurred prior to December 29, 2022, if

the recipient, with concurrence from the EPA Region, determines that such funds could be used to help address a threat to public health from heightened exposure to lead in drinking water, or

a Federal or state emergency declaration has been issued due to a threat to public health from heightened

exposure to lead in a municipal drinking water supply before December 29, 2022.

Furthermore, in a state in which such an emergency declaration has been issued, the recipient may use more than 14 percent of the funds made available under this title to the state for DWSRF capitalization grants to provide additional subsidy to eligible recipients. The additional subsidy ceiling in these circumstances is the total capitalization grant amount, minus set-asides taken.

P. Geospatial Data Standards

All geospatial data created must be consistent with Federal Geographic Data Committee (FGDC) endorsed standards. Information on these standards may be found at www.fgdc.gov.

Q. American Iron and Steel (AIS)

(a) Definitions. As used in this award term and condition—

(1) “iron and steel products” mean the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

(2) “steel” means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) Domestic preference.

(1) This award term and condition implements the Safe Drinking Water Act, section 1452(a)(4), by requiring that all iron and steel products used for a project for the construction, alteration, maintenance or repair of a public water system are produced in the United States except as provided in paragraph (b)(2) of this section and condition.

(2) This requirement shall not apply in any case or category of cases in which the Administrator of the Environmental Protection Agency finds that—

(i) applying the requirement would be inconsistent with the public interest;

(ii) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or

(iii) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.

(3) The Build America, Buy America (BABA) Act requirement does not supersede the AIS requirement, and both provisions still apply and work in conjunction.

(c) Request for a Waiver under (b)(2) of this section

(1) Any recipient request to use foreign iron or steel products in accordance with paragraph (b)(2) of this section shall include adequate information for Federal Government evaluation of the request, including—

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;

(B) Unit of measure;

(C) Quantity;

(D) Cost;

(E) Time of delivery or availability;

(F) Location of the project;

(G) Name and address of the proposed supplier; and

(H) A detailed justification of the reason for use of foreign iron or steel products cited in accordance with paragraph (b)(2) of this section.

(2) If the Administrator receives a request for a waiver under this section, the waiver request shall be made available to the public for at least 15 days prior to making a finding based on the request.

(3) Unless the Administrator issues a waiver of this term, use of foreign iron and steel products is noncompliant with the Safe Drinking Water Act, section 1452(a)(4).

(d) This term and condition shall be applied in a manner consistent with United States obligations under international agreements.

R. State Cybersecurity

(a) The recipient agrees that when collecting and managing environmental data under this assistance agreement, it will protect the data by following all applicable State law cybersecurity requirements.

(b) (1) EPA must ensure that any connections between the recipient's network or information system and EPA networks used by the recipient to transfer data under this agreement, are secure.

For purposes of this Section, a connection is defined as a dedicated persistent interface between an Agency IT system and an external IT system for the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition.

If the recipient's connections as defined above do not go through the Environmental Information Exchange Network or EPA's Central Data Exchange, the recipient agrees to contact the EPA Project Officer (PO) and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet EPA security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the recipient into systems operated and used by EPA's regulatory programs for the submission of reporting and/or compliance data.

(2) The recipient agrees that any sub-awards it makes under this agreement will require the subrecipient to comply with the requirements in (b)(1) if the sub-recipient's network or information system is connected to EPA networks to transfer data to the Agency using systems other than the Environmental Information Exchange Network or EPA's Central Data Exchange. The recipient will be in compliance with this condition: by including this requirement in sub-award agreements; and during subrecipient monitoring deemed necessary by the recipient under 2 CFR 200.331(d), by inquiring whether the subrecipient has contacted the EPA Project Officer. Nothing in this condition requires the recipient to contact the EPA Project Officer on behalf of a subrecipient or to be involved in the negotiation of an Interconnection Service Agreement between the subrecipient and EPA.

S. Internal Controls for Financial Transactions

The recipient agrees to use procedures consistent with “zero-trust” (never trust, always verify) for all financial transactions with SRF funds. These procedures must include verbal verification with a trusted recipient representative of all financial account information both initially and prior to any changes in financial account information.

T. Quality Management Plan

In accordance with 2 CFR 1500.11, the recipient shall continue to implement and adhere to the Quality Management Plan (QMP) submitted to EPA. The QMP should be updated annually or as necessary based on the [EPA QA/R-2: EPA Requirements for Quality Management Plans](#). This quality assurance requirement applies to all grants, cooperative agreements, contracts and interagency agreements that involve the use of environmental data.

If not included under the approved QMP, a stand-alone QAPP is required for those projects/activities that result in the collection, production and/or use of environmental information, metrics or data. The recipient agrees to ensure that an approved site specific QAPP is completed for each project. No environmental data collection, production, or use may occur until the QAPP is reviewed and approved by the EPA Project Officer and Quality Assurance Regional Manager or through authorized delegation under an EPA approved recipient QMP based on procedures documented in the QMP. A copy of the approved QAPPs must be retained with the recipient’s official records for this Agreement.

U. Wage Rate Requirements

The recipient agrees to include in all agreements to provide assistance for any construction project carried out in whole or in part with such assistance made available by a drinking water revolving loan fund as authorized by Section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12), a term and condition requiring compliance with the requirements of section 1450(e) of the Safe Drinking Water Act (42 U.S.C.300j-9(e)) in all procurement contracts and sub-grants, and require that loan recipients, procurement contractors and sub-grantees include such a term and condition in subcontracts and other lower tiered transactions. All contracts and subcontracts for any construction project carried out in whole or in part with assistance made available as stated herein shall insert in full in any contract in excess of \$2,000 the contract clauses as attached hereto entitled “Wage Rate Requirements Under The Clean Water Act, Section 513 and the Safe Drinking Water Act, Section 1450(e).” This term and condition applies to all agreements to provide assistance under the authorities referenced herein, whether in the form of a loan, bond purchase, grant, or any other vehicle to provide financing for a project, where such agreements are executed on or after October 30, 2009.

Preamble

With respect to the DWSRF program, EPA provides capitalization grants to each State which in turn provides sub grants or loans to eligible entities within the State. Typically, the sub recipients are municipal or other local governmental entities that manage the funds. For these types of recipients, the provisions set forth under Roman numeral I, below, shall apply. Although EPA and the State remain responsible for ensuring sub recipients’ compliance with the wage rate requirements set forth herein, those sub recipients shall have the primary responsibility to maintain payroll records as described in Section I-3(ii)(A), below and for compliance as described in Section I-5.

Occasionally, the sub recipient may be a private for profit or not for profit entity. For these types of recipients, the provisions set forth in Roman Numeral II, below, shall apply. Although EPA and the State remain responsible for ensuring sub recipients' compliance with the wage rate requirements set forth herein, those sub recipients shall have the primary responsibility to maintain payroll records as described in Section II-3(ii)(A), below and for compliance as described in Section II-5.

ATTACHMENT 1

I. Requirements Under Section 1452(a)(5) of the Safe Drinking Water Act For Sub recipients That Are Governmental Entities:

The following terms and conditions specify how recipients will assist EPA in meeting its Davis-Bacon (DB) responsibilities when DB applies to EPA awards of financial assistance with respect to State recipients and sub recipients that are governmental entities. If a sub recipient has questions regarding when DB applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact the State recipient. If a State recipient needs guidance, the recipient may contact EPA's Office of Grants and Debarment for guidance at EPA_Grants_Info@epa.gov.

The recipient or sub recipient may also obtain additional guidance from the U.S. Department of Labor's (DOL) website at <http://www.dol.gov/whd/>

1. Applicability of the DB prevailing wage requirements.

DB prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by a State water pollution control revolving fund and to any construction project carried out in whole or in part by assistance made available by a drinking water treatment revolving loan fund. If a sub recipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the sub recipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Sub recipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

(i) While the solicitation remains open, the sub recipient shall monitor <https://sam.gov/> weekly to ensure that the wage determination contained in the solicitation remains current. The sub recipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the sub recipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the sub recipient.

(ii) If the sub recipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the sub recipient, obtains an extension of the 90-day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The sub recipient shall monitor <https://sam.gov/> on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(b) If the sub recipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an

existing contractor (ordering instrument) rather than by publishing a solicitation, the sub recipient shall insert the appropriate DOL wage determination from <https://sam.gov/> into the ordering instrument.

(c) Sub recipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(d) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a sub recipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the sub recipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the sub recipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The sub recipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

(a) The Recipient shall insure that the sub recipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project carried out in whole or in part with assistance made available by the DWSRF, and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or the Safe Drinking Water Act, Section 1452(a)(5), the following clauses:

(1) Minimum wages.

(i) 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 DB Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) 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 § 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 conformed under paragraph (a)(1)(ii) of this section) and the DB 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.

Sub recipients may obtain wage determinations from the U.S. Department of Labor's website, <https://sam.gov/>.

(ii)(A) The sub recipient(s), on behalf of EPA, 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 State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

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

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

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

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the sub recipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the sub recipient (s) to the State award official. The State award official will transmit a completed conformance request form (SF-1444 or similar) and supporting materials to WHD-CBACONFORMANCE_INCOMING@dol.gov and to the EPA DB Regional Coordinator concurrently. The Department of Labor Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the sub recipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the sub recipient (s) to the State award official. The State award official will transmit a completed conformance request form (SF-1444 or similar) which indicates the State award official's disagreement and supporting materials to WHD-CBACONFORMANCE_INCOMING@dol.gov and to the EPA DB Regional Coordinator concurrently. The Department of Labor Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) 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.

(iii) 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.

(iv) 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 DB Act have been met. The Secretary of Labor may require the contractor to set aside assets in a separate account for the meeting of obligations under the plan or program.

(2) Withholding. The sub recipient(s), shall upon written request of the EPA Award Official or an authorized representative

of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to DB 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 EPA may, after written notice to the contractor, sponsor, applicant, or owner, 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.

(i) 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 DB 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 DB 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.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the sub recipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the sub recipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead, the payrolls shall only need to 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 website at <http://www.dol.gov/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 sub recipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, 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 sub recipient(s).

(B) 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:

- (1) 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)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;
- (2) 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;
- (3) 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.

(C) 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 (a)(3)(ii)(B) of this section.

(D) 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.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA 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 EPA or State may, after written notice to the contractor, sponsor, applicant, or owner, 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

(i) Apprentices. 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.

(ii) Trainees. 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.

(iii) 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.

(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 in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all 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 DB and Related Act requirements. All rulings and interpretations of the DB 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 sub recipient(s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) 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 DB Act or 29 CFR 5.12(a)(1).

(ii) 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 DB Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

4. Contract Provision for Contracts in Excess of \$100,000.

(a) Contract Work Hours and Safety Standards Act. The sub recipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any 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 Item 3, above 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 (a)(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 (a)(1) of this section, in the sum of \$29 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The sub recipient, upon written request of the EPA Award Official or an authorized representative of the Department of Labor, shall 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 (a)(2) of this section.

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

(b) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Sub recipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Sub recipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the EPA and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

5. Compliance Verification

(a) The sub recipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(3), all interviews must be conducted in confidence. The sub recipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(b) The sub recipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Sub recipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB.

Sub recipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.

(c) The sub recipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The sub recipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the sub recipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Sub recipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the sub recipient shall verify evidence of fringe benefit plans and payments there under by contractors and subcontractors who claim credit for fringe benefit contributions.

(d) The sub recipient shall periodically review contractor's and subcontractor's use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(e) Sub recipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <https://www.dol.gov/agencies/whd/contact/local-offices>.

II. Requirements Under Section 1452(a)(5) of the Safe Drinking Water Act For Sub recipients That Are Not Governmental Entities:

The following terms and conditions specify how recipients will assist EPA in meeting its DB responsibilities when DB applies to EPA awards of financial assistance under the Safe Drinking Water Act, Section 1452(a)(5) with respect to sub recipients that are not governmental entities. If a sub recipient has questions regarding when DB applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact the State recipient for guidance. If a State recipient needs guidance, the recipient may contact EPA's Office of Grants and Debarment for guidance at EPA_Grants_Info@epa.gov. The recipient or sub recipient may also obtain additional guidance from DOL's website at <http://www.dol.gov/whd/>.

Under these terms and conditions, the sub recipient must submit its proposed DB wage determinations to the State recipient for approval prior to including the wage determination in any solicitation, contract task orders, work assignments, or similar instruments to existing contractors.

1. Applicability of the Davis- Bacon (DB) prevailing wage requirements.

Under the Safe Drinking Water Act, Section 1452(a)(5), DB prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by a State water pollution control revolving fund and to any construction project carried out in whole or in part by assistance made available by a drinking water treatment revolving loan fund. If a sub recipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the sub recipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Sub recipients must obtain proposed wage determinations for specific localities at <https://sam.gov/>. After the sub recipient obtains its proposed wage determination, it must submit the wage determination to Wisconsin Department of Natural Resources (WDNR) for approval prior to inserting the wage determination into a solicitation, contract or issuing task orders, work assignments or similar instruments to existing contractors (ordering instruments unless subsequently directed otherwise by the State recipient Award Official.)

(b) Sub recipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

(i) While the solicitation remains open, the sub recipient shall monitor <https://sam.gov/> on a weekly basis to ensure that the wage determination contained in the solicitation remains current. The sub recipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the sub recipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the sub recipient.

(ii) If the sub recipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the sub recipient, obtains an extension of the 90-day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The sub recipient shall monitor <https://sam.gov/> on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(c) If the sub recipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the sub recipient shall insert the appropriate DOL wage determination from <https://sam.gov/> into the ordering instrument.

(d) Sub recipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(e) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a sub recipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the sub recipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the sub recipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The sub recipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

(a) The Recipient shall insure that the sub recipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project carried out in whole or in part with assistance made available by the DWSRF, and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or the Safe Drinking Water Act, Section 1452(a)(5), the following clauses:

(1) Minimum wages.

(i) 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 DB Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) 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 § 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 conformed under paragraph (a)(1)(ii) of this section) and the DB 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.

Sub recipients may obtain wage determinations from DOL's website, <https://sam.gov/>.

(ii)(A) The sub recipient(s), on behalf of EPA, 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 State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is utilized in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the sub recipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the sub recipient(s) to the State award official. The State award official will transmit a completed conformance request form (SF-1444 or similar) and supporting materials to WHD-CBACONFORMANCE_INCOMING@dol.gov and to the EPA DB Regional Coordinator concurrently. The Department of Labor Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the sub recipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the sub recipient (s) to the State award official. The State award official will transmit a completed conformance request form (SF-1444 or similar) which indicates the State award official's disagreement and supporting materials to WHD-CBACONFORMANCE_INCOMING@dol.gov, and to the EPA DB Regional Coordinator concurrently. The Department of Labor Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting

officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) 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.

(iii) 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.

(iv) 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 DB Act have been met. The Secretary of Labor may require the contractor to set aside assets in a separate account for the meeting of obligations under the plan or program.

(2) Withholding. The sub recipient(s) shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to DB 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 EPA may, after written notice to the contractor, sponsor, applicant, or owner, 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.

(i) 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 DB 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 DB 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.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the sub recipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy

received, the sub recipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead, the payrolls shall only need to 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 website at <http://www.dol.gov/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 sub recipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, 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 sub recipient(s).

(B) 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:

- (1) 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)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;
- (2) 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;
- (3) 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.

(C) 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 (a)(3)(ii)(B) of this section.

(D) 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.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA 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 EPA or State may, after written notice to the contractor, sponsor, applicant, or owner, 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--

(i) Apprentices. 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 DOL, 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 subcontractors 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.

(ii) Trainees. 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 DOL, 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.

(iii) 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.

(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 in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all 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 DB and Related Act requirements. All rulings and interpretations of the DB 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 Sub recipient(s), State, EPA, DOL, or the employees or their representatives.

(10) Certification of eligibility.

(i) 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 DB Act or 29 CFR 5.12(a)(1).

(ii) 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 DB Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

4. Contract Provision for Contracts in Excess of \$100,000.

(a) Contract Work Hours and Safety Standards Act. The sub recipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any 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 Item 3, above 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 (b)(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 (b)(1) of this section, in the sum of \$29 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 (b)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The sub recipient shall upon the request of the EPA Award Official or 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 (a)(2) of this section.

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

(b) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Sub recipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Sub recipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the EPA and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

5. Compliance Verification

(a) The sub recipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(3), all interviews must be conducted in confidence. The sub recipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(b) The sub recipient shall establish and follow an interview schedule based on its assessment of the risks of

noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Sub recipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB. Sub recipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.

(c) The sub recipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The sub recipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable the sub recipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Sub recipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the sub recipient shall verify evidence of fringe benefit plans and payments there under by contractors and subcontractors who claim credit for fringe benefit contributions.

(d) The sub recipient shall periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(e) Sub recipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <https://www.dol.gov/agencies/whd/contact/local-offices>.