

Contractor Standards

for

Maine Housing-Financed Multi-Family Housing

Project: (Insert Project name here)
Location: (Insert project address here)

The following standards apply for this project:

1. Prevailing Wage Rates
2. Employee Classification
3. Workers Compensation
4. Group Healthcare Coverage (80 %
Level)
5. On-The-Job Training



General

Maine State Housing Authority (*MaineHousing*) has adopted the Contractor Standards for MaineHousing-Financed Multi-Family Housing (*MaineHousing Contractor Standards*). In general, these standards apply to projects financed under MaineHousing multifamily programs. The Contractor Standards applicable to a particular project are dependent on the requirements of the specific MaineHousing financing program.

This document summarizes the Contractor Standards for this project. A complete description of the Standards can be found in the *Contractor Standards Compliance Guide*. This guide can be downloaded from the MaineHousing web site at the link shown below.

<http://www.mainehousing.org/HOUSINGDEVContractorStandards.aspx>

The Contractor Standards applicable for this project include the following components of the MaineHousing Contractor Standards.

1. Prevailing Wage Rates
2. Proper Classification of Employees
3. Workers' Compensation Insurance
4. Group Healthcare Coverage
5. On-The-Job Training

The contractors (including general contractors, construction managers, subcontractors, tier subcontractors, independent contractors and sole proprietors) are responsible for ensuring compliance with the MaineHousing Contractor Standards throughout the duration of the project. Contractors are independently responsible for complying with the MaineHousing Contractor Standards. The contractors shall cooperate with MaineHousing, its agents and employees, in monitoring and facilitating compliance with the MaineHousing Contractor Standards during the construction of the project.

The Contractor Standards Compliance Officer (CSCO) represents MaineHousing. The primary role of the CSCO is to monitor and facilitate compliance with the MaineHousing Contractor Standards. The CSCO will investigate potential violations and complaints and facilitate their resolution. The CSCO will cooperate fully with government agencies in resolving any issues concerning MaineHousing's contractor standards, either during the contract term or after construction.

Summary of Contractor Responsibilities During Construction

1. Prevailing Wage Rates

This project is subject to following wage rate schedule developed by the State of Maine, Department of Labor - Bureau of Labor Standards... Link to rates:

www.maine.gov/labor/labor_stats/publications/wagerateconst/

or contact: State of Maine Department of Labor Bureau of Labor Standards
Technical Services Division
Augusta, Maine 04333-0045
Tel. (207) 623-7906

2011 Fair Minimum Wages Rates Building 2 Cumberland County (Other than 1 or 2 family homes)

Please note that wage rates are typically revised early in the year for which they are titled. Consideration of anticipated project schedule may dictate that the rates be updated in the spec accordingly.

(Note: On MaineHousing projects only the minimum wage portion of the Maine DOL rate schedule applies. The "Minimum Benefit" and the "Total" columns shown on the wage rate schedule on the Maine DOL web site do not apply.

Contractor responsibilities during construction regarding the Prevailing Wage Rate standard are summarized below.

- Upon request by the CSCO, payrolls or other acceptable documentation showing compliance with the prevailing wage rates shall be submitted by all contractors (general contractor, subcontractors and tier subcontractors) who have employees working at the site. Payrolls are not required for salaried administration and management personnel.
- The payrolls can be in any format but must show as a minimum the employee, classification, hourly wage, regular hours and overtime hours. The payrolls do not need to be certified.
- Each contractor is responsible for his own payroll submittals. The general contractor is not responsible for subcontractor or tier subcontractor payroll submittals.
- Payrolls shall be submitted when requested by the CSCO. Payrolls can be weekly, bimonthly or monthly.
- Contractors shall cooperate with the CSCO during scheduled and unscheduled site inspections and on-site interviews with workers.
- Contractors shall participate in the investigation of violations and complaints relating to prevailing wage rates.

2. Proper Classification of Employees

Contractor responsibilities during construction regarding the Proper Classification of Employees standard are summarized below.

- Contractors who hire independent contractors (IC's) shall submit a list of all IC's working at the site upon request of the CSCO.
- Contractors who have applied to the State of Maine Workers Compensation Board for a predetermination of IC status shall submit a copy of the application. Copies of predetermination of IC status or waivers received from other agencies shall also be submitted.
- Contractors shall cooperate with the CSCO during unscheduled site inspections and on-site interviews with IC's.

3. Workers' Compensation Insurance

Contractor responsibilities during construction regarding the Workers' Compensation Insurance standard are summarized below.

- The general contractor shall submit copies of the certificates of coverage or other proof of workers' compensation insurance for all contractors working at the site upon request of the CSCO.
- Contractors who are excluded from having workers compensation insurance shall submit the reason for their exclusion.
- Contractors shall cooperate fully if referred by the CSCO to the Workers' Compensation Board for information or assistance.

4. Group Healthcare Coverage

Contractor responsibilities during construction regarding the Group Healthcare Coverage standard are summarized below.

- Upon request, the GC (or the Owner) should provide the CSCO with the list of contractors that pledged enrollment in an eligible group health insurance plan.
- All contractors enrolled in the group health coverage plan should submit documentation showing the terms of coverage for employees and dependents and the period the coverage will remain in effect.
- Contractors on the project not enrolled in the group healthcare coverage plan shall submit documentation showing the terms of coverage for employees and dependents.

Contractor Standards Compliance Officer (items 1 thru 4)

All submittals shall be sent to the CSCO. Questions relating to the MaineHousing Contractor Standards can be directed to the CSCO. The contact information is presented below.

Dan Brennan/Director of Development MaineHousing
353 Water St. Augusta, Maine 04330 phone: 626-4625
dbrennan@mainehousing.org

5. On-the-Job Training (Program Guidelines for the Developer/Owner)

The Developer or Owner of a MaineHousing financed multifamily housing project is responsible for assisting in the implementation of the MaineHousing On-the-Job Training program and the achievement of *Hourly Training Goals for Women and Minorities* set forth in the bid contract.

This requirement is outlined in **MaineHousing's Affirmative Action Plan** which can be found at:

<http://www.mainehousing.org/Documents/QAP/2007QAPProgramAffirmativeActionPlan.pdf>

The Role of the Developer/Owner

- To communicate the training commitment of the project to the General Contractor engaged in the project.
- To facilitate the Wage Support Fund. This fund will supplement investment in training with a five dollar an hour payment to Subcontractors participating in the OJT Program. OJT Training hours will be verified by the MaineHousing OJT Program Manager. At the completion of 700 hours, a report of job training results will be generated to the Developer/Owner, the Project Construction Analyst and the MaineHousing Loan Officer. Wage support reimbursement funds will be released by the MaineHousing Loan Officer to the Subcontractor following the receipt of an invoice. Only hours worked on the MaineHousing financed multifamily housing project will be approved for reimbursement.

(Important note: For all multifamily housing projects which applied to MaineHousing between December 2, 2005 and November 1, 2007, the wage support fund is not required, but highly encouraged. For all multifamily housing projects which applied on November 1, 2007 and after, the wage support fund is required.

- To approve an OJT training plan created by the General Contractor,
- Subcontractors and the MaineHousing OJT Program Manager.

Project Training Plan

The Developer/Owner shall request that the General Contractor survey subcontractors engaged in the project to identify those with entry level job positions available. The OJT Program Manager will arrange a meeting the General Contractor and Subcontractors to create a project training plan. Early identification of the skill craft position (carpenter, painter, plumber, etc.) allows time to recruit the best candidates for training.

Entry level recruitment is essential to the future of the building industry.

- Building construction has a graying workforce and very few young people are entering construction as a career. New sources of recruitment and new faces have to be found.
- On-the-Job Training is a proven model that quickly integrates people into learning the construction skills necessary for earning a secure financial future.
- A bridge to community resources is built as recruitment channels are created for contractors.

- Diversity is an added value to any workplace.

MaineHousing On-the-Job Training adds the important values of construction skills training, income opportunity, and diversity to a construction project.

On-the-Job Training Program Procedures

Training Hour quantities are formulated by adding a value of 700 training hours for every \$1,000,000.00 dollars of the total construction cost for the project. For example, a 2100 hour training obligation would require three individual enrollments.

Each individual training registration will be in a Skilled Craft. The trainee and supervisor will receive an outline of skill sets to be covered throughout a *700 hour program*. All work hours will be applied as training hours.

Training is accomplished in the course of working and as the stages of a project progress. Direct trainers are requested to provide 3 to 5 hours a week in specific skill building. Payroll records will be submitted to the On-the-Job Program Manager to document work hours.

The General Contractor must survey all Subcontractors to determine a current job listing by skill for the project. They will then outline an OJT Plan for the project identifying which trades and Subcontractors will be recruiting trainees. The OJT Program Manager will schedule a pre-construction meeting to assist in the development of a training plan for the project. This OJT Plan must be submitted to the Developer/Owner and the OJT Program Manager for review and approval.

State of Maine Career Centers will assist in recruiting qualified women and minorities for construction. Recruiters are notified of job openings and have been advised of construction specific interview techniques. They can link with other job training programs that offer recent graduates, some with wage support dollars available.

State of Maine Career Centers are statewide and offer free services to the employer.

Training status is important to individuals new to construction. Training increases recruitment and retention. Recruiting motivated individuals and providing goals is the most important part of the OJT Program.

Contractors interview and select the trainee. The trainee is subject to all company policies and expected to fulfill every duty within the job description. Trainee wages will reflect the current state wage rate or Davis-Bacon, whichever applies to the project. Contractors provide wage statements to verify hours worked on the project.

A trainee may be enrolled in an upgraded training category three times. For example, a carpenter's helper may move up to Carpenter I, and Carpenter II.

Trainees may work off the project site. Training hours will be applied to the project hourly goals by using payroll records. *Only hours worked at the project site will be reimbursed by the Wage Support Fund.*

The On-the-Job Training Program Manager will conduct monthly interviews. Supervisors will be contacted in advance to locate OJT trainees and their supervisors. Skill increases and job performance will be documented.

On-the-Job Training Program Manager (Maureen Murray)

MaineHousing provides the services of an On-the-Job Training Program Manager.

All MaineHousing financed projects carry the same standards and goals. This is a state-wide program contributing to construction recruitment in many communities. Each project brings Affordable Housing and Job/Training opportunities to the local community. This program is modeled on the nationally recognized Maine Department of Transportation OJT Program. This program is responsible for training many hundreds of women and minorities in truck driving and equipment operation, improving the economic well being of Maine since 1988. The involvement of the Developer/Owner on MaineHousing financed multifamily affordable housing projects will open the door to skills training for women and minorities in the building trades.

The MaineHousing On-the-Job Training Program Manager works to provide community awareness of the project and the training opportunities available. Recruitment channels are established in the area of a project. Contractors are assisted with non-traditional recruitment. Field support assists both trainee and trainer in recognizing skill building and developing effective communication. The OJT Program Manager documents training and the project hourly goal achievement. OJT progress updates will be provided to the Developer/Owner and the General Contractor.

On-the-Job Training (OJT) Program Manager Role:

- Survey contractors and subcontractors for recruitment needs.
- Provide recruitment resources and community links.
- Approve enrollments into the program; Track training hours toward the project goal.
- Notify the contractor in advance of a site visit/interview. Interviews will be conducted monthly with the trainee and the direct supervisor.
- Provide field support.
- Measure skill building and document OJT hours and completions.
- Distribute an OJT Manual. Specific Craft training outlines are included.
- Provide progress reports.

MaineHousing OJT Program Manager

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