

## Due Diligence Report

Prior to requesting a waiver, we ask that the general contractor or owner complete a report of due diligence to ensure that all efforts to obtain local labor have been exhausted. There are three primary categories for obtaining a waiver for an OCIDA project: price, warranty, and specialty work. See the breakdown below and follow the appropriate steps before requesting a waiver or variance for your project:

**Price Point: A)** For projects whose project cost exceeds \$15M, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the sub contract or contract of a particular trade or work scope by at least 20%. Every reasonable effort should be made by the applicant and or the applicant's contractor to get below the 20% cost differential including, but not limited to, communicating and meeting with local construction trade organizations, such as the Hudson Valley Building and Construction Trades Council and other local Contractor Associations. **B)** For projects whose project cost is less than \$15M, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the sub contract or contract of a particular trade or work scope by 10% or more. Every reasonable effort should be made by the applicant and or the applicant's contractor to get below the 10% cost differential including, but not limited to, communicating and meeting with local construction trade organizations, such as the Hudson Valley Building and Construction Trades Council and other local Contractor Associations;

- **Obtain multiple bids from local contractors, or request bids from local contractors**
- **Ensure that you went through proper scopes between local and out of town contractors to show exact comparisons and price point differentials.**
- **Ensure that local contractors had every opportunity to provide the best price which would include contacting local trade unions/organizations to assist with making labor costs for local workers competitive with out of area contractors.**

**Warranty:** Warranty issues related to installation of specialized equipment whereby the manufacturer requires installation by only approved installers.

- **Obtain information from vendor of specialty equipment to get list of approved installation contractors, verify no local company can perform install.**
- **Letter from vendor with vendor letterhead required stating that installation requires an authorized contractor and that none are available in the local area.**

- Continued on other side -



**Specialized Work:** Specialized construction is required and no local contractors or local construction workers have the required skills, certifications or training to perform the work.

- **Show that you solicited work from several local contractors and none could provide a price to perform the work**
- **Make contact with local trade unions/organizations to show that local tradesman could not provide contractor to price work**
- **Provide a letter from architect that states they consider the work to require a specialty contractor**

If all the proper steps have been followed and the appropriate documentation is obtained, please submit a waiver/variance request form and fill it out appropriately. **Proof of the requested steps in the due diligence report will be required to be provided before a waiver can be submitted.** Contact Loewke Brill Consulting Group with any questions