

GENERAL SPECIFICATIONS – REHABILITATION – RESIDENTIAL

CONTRACTORS HANDBOOK

**CITY OF GRAND PRAIRIE, TEXAS
HOUSING AND NEIGHBORHOOD SERVICES
COMMUNITY DEVELOPMENT (CDBG) DIVISION
205 WEST CHURCH
GRAND PRAIRIE, TEXAS 75051**

GENERAL INFORMATION: The listing of any item specification does not establish the eligibility of the item or the authorized conditions, work and / or material for rehabilitation projects.

The Grand Prairie Housing Rehabilitation Program has as its purpose the prevention of deterioration, slums, and blighting influences in a community through the revitalization and conservation of the existing housing stock. The program seeks to preserve and restore stable, viable, and environmentally pleasing neighborhoods within the city. In doing so, families of low and moderate income will be assisted in securing decent housing, and the burdens placed on a city because urban deterioration can be averted.

The Grand Prairie Housing Rehabilitation Program is administered by the Housing and Neighborhood Services Department (HNS), and funded through a Community Development Block Grant (CDBG) from the Department of Housing and Urban Development (HUD). Housing rehabilitation assistance is performed on eligible properties within the city limits of Grand Prairie.

CONTRACTORS

This handbook explains the requirements and procedures for approving contractors to be placed on a list of eligible firms or individuals to perform rehabilitation work for the Grand Prairie Housing Rehabilitation Program. Additionally, it sets forth the policies and procedures for contractor monitoring to assure that their credentials and workmanship continues to be acceptable. THESE REQUIREMENTS WILL APPLY TO BOTH GENERAL CONTRACTORS AND SUBCONTRACTORS.

APPLICATION

All contractors must submit and maintain a current application on file at the HNS. Any change of title, address, phone number or insurance must be reported. The HNS office shall submit the contractors name and pertinent information to the System For Award Management (SAM), and verify their experience, ability, financial resources, and satisfactory past performance record before he/she is placed on the approved contractors list.

INSURANCE

The Contractor shall carry Contractor's General Liability Insurance with minimum limits of \$1,000,000.00 for each occurrence and as applicable, Workmen's Compensation Insurance in accordance with the State of Texas Workmen's Compensation Laws. This provision is to protect him/her and their subcontractors against claims for property damage and for injury or death of persons because of accidents which may occur or result from operations under this contract. Such insurance coverage shall cover the use of all equipment including, but not limited to, excavating machinery, trenching machines, cranes, hoists, rollers, concrete mixers and motor vehicles utilized in the construction of the rehabilitation embraced in this policy. The Contractor nor his/her subcontractors shall commence any work under this contract until all insurance requirements have been obtained and submitted to the HNS.

HOLD HARMLESS

The Contractor will defend, indemnify, and hold harmless the Owner and the city of Grand Prairie, its officers, and employees from liability and claim for damages because

of bodily injury, death, property damage, sickness, disease, or loss and expense arising from the Contractor's operations under this contract.

LICENSES AND BONDS

All contractors must maintain a current license and bond as required by state law and the ordinances of the city of Grand Prairie.

PERMITS

The contractor shall be responsible for obtaining, at his/her expense, the necessary permits to perform the work from the Building Inspection Department. No repairs may be started on any housing rehabilitation job until the building permit has been issued. The Contractor shall comply with all applicable laws, ordinances and building codes. Before beginning the work, the Contractor shall examine the work write-up for new or replaced work and shall immediately report any discrepancy to the HNS.

SUBCONTRACTORS

Subcontractors shall be bound by the same terms and conditions as the general contractor, as applicable. The General Contractor assumes full responsibility to the Owner for the proper completion of all work to be executed under this agreement by himself and his subcontractor; and he shall not be released from this responsibility by a sub contractual agreement he may make with others.

CONTRACTOR ACCEPTANCE

Contractors shall be added to the bid list when they have received clearance from the TDHCA and have met all the requirements and furnished the HCDD with necessary documentation to verify such.

PROVISIONS FOR CONTINUOUS ELIGIBILITY

The contractor must maintain a current certificate of insurance on file in the HNS and continue to perform work in a satisfactory manner, as well as correcting deficiencies (justifiable warranty complaints) on past jobs to remain on the approved bidders list.

REMOVAL FROM LIST OF APPROVED BIDDERS

In the event a Contractor fails to comply with any of the requirements, he shall be removed for cause from the list of approved contractors by the Director of the HNS. He will not be reinstated except on the approval of the Director of HNS.

BIDDING PROCESS

The work write-up is emailed to a list of eligible contractors who have met requirements and maintained eligibility on our list of approved contractors. The work write-up serves as the bid form. All costs must be itemized and the bid cover sheet signed by the Contractor and returned to HNS within the time frame allowed. Any questions regarding the work to be performed shall be referred to HNS. An in-house cost estimate is prepared by HNS staff based on current market rates. After the bid due date has passed and all the bids have been returned to our office, a bid tally sheet is created. All bids are evaluated by HNS staff and eligibility is determined. Bids within 10% of the cost estimate will be

considered. The eligible contractor who submits the lower bid, within the allowable 10%, will be awarded the job. If all bids received exceed the maximum grant amount available, the HNS will work to reduce work items and/or the owner will be required to provide additional funds as necessary. HNS RESERVES THE RIGHT TO ACCEPT OR REJECT ANY OR ALL BIDS, AND TO REQUIRE THAT THE LOWEST BID RECEIVED WITHIN THE ACCEPTABLE PARAMETERS BE ACCEPTED BY THE OWNER. BIDS NOT ITEMIZED OR SUBMITTED IN PENCIL WILL BE DISQUALIFIED.

BIDDERS RISK

Bids will be submitted at the Bidder's risk and the HNS reserves the right to accept or reject any or all bids and to require that the low bid be accepted by the owner. By submitting a bid or by executing a contract, the Contractor asserts that he has read and understands this handbook. Construction work financed through a housing rehabilitation grant shall be undertaken only through a written contract between the contractor and the homeowner.

CONTRACT DOCUMENTS

The contract documents include the Bid, the Owners Acceptance of the Contractor Agreement, the Housing Rehabilitation Contract, and the Notice to Proceed document. The contract is between the homeowner and the contractor, and must be witnessed before the HNS staff.

- A. Bid: Outlines all work to be performed at the bid prices
- B. Owners Acceptance of the Contractor Agreement: States owner has selected the contractor to perform the work and will be responsible for satisfactory work on the home
- C. Notice to Proceed: Owner gives contractor permission to start work within ten days from signing the contract.

Note: If the Notice to Proceed is not received by the Contractor within thirty (30) days from the acceptance of his/her bid, the Contractor has the option of withdrawing his/her bid. Such withdrawal is to be made in writing and delivered to the Owner with a copy to the HNS. The Contractor shall not begin the work to be performed until he receives the written Notice to Proceed from the Owner. The Contractor shall begin the work within ten (10) days of the date of said Notice and shall complete said work within the number of calendar days stated in the Contract.

RECISSION DOCUMENT

The Owner has a three (3) day period after signing the contract to rescind the request for rehabilitation assistance. In the event of the recission the Contractor will be notified immediately.

COMPLETION DEADLINE

All work under the HRP must be completed within forty-five (45) days of the contract and notice to proceed date. All work under the Emergency program must be completed within twelve (12) days of the contract and notice to proceed date.

ASSIGNMENT OF CONTRACT

The Contractor shall not assign the Contract without written consent of the Owner and the HNS.

WORK SCOPE

The Contractor agrees to:

- Supply as part of the construction price, all materials, tools, machinery and any other items necessary for the completion of the contract in accordance with the specifications stipulated.
- Perform all work with good workmanship standards in accordance with good trade practices in the community.
- Exercise proper precaution at all times for the protection of persons and property during the course of the contract.
- Guarantee the work performed for a period of at least one (1) year from the date of the final acceptance of all work required by the contract.
- Furnish the Owner with all manufacturers and supplier's written guarantees and warranties covering materials and equipment furnished under the contract.
- Agree to provide equal opportunity to all persons without discrimination as to race, color, creed, religion, national origin, sex, marital status, disability, age and status with regard to public assistance.
- Agree that all applicable recission information will be included with this contract.
- Acknowledge receipt of this contractor's handbook explaining program guidelines and performance standards.
- He will insure a competent supervisor is on the job site at all times during the progress of work.

CHANGES IN THE WORK (CHANGE ORDER)

A change order may be used to cover an item or items of work which cannot be determined until sometime during the course of the rehabilitation. A request for a change order, either by the Owner or Contractor, regardless of whether it involves an increase or decrease in work to be done, cost and/or time, must be approved by the HNS before the change takes effect. Unless otherwise specified, any change order resulting in an increase in the work to be done and a resulting increase in cost shall be the responsibility of the Owner and/or Contractor.

Change orders are to be used for the following reasons:

- Changes in Specifications: It may be necessary to change certain specifications contained in the contract, or in some cases, the quality of some materials where provisions for acceptable substitutes has not been provided in the contract document.
- Change in Completion Dates: It may be necessary to change the time of completion due to the addition of certain work items or delays that are beyond the contractor's control.

- Additional Work: Change orders are used to add work necessary to correct incipient items that have been found to be defective after work is in progress, but were not anticipated at the time the contract was executed.
- Deletion of Work: Change orders will be used when it is necessary to delete work from a contract for any reason.

The price of any work added to a contract shall be negotiated, but shall not be higher than prevailing costs for comparable work. When items are deleted from the contract, they shall be at their previously bid amount. When items are deleted but do not have specific costs, in such cases the contract shall be reduced by negotiating the cost at prevailing rates.

All change orders shall be executed and signed by the homeowner, contractor and HNS.

During the course of this contract period, should additional repairs not a part of the contract be requested by the Owner to the Contractor, no such additional work or money transactions shall be made without the approval of the HNS.

OWNER OCCUPANCY

The Owner will continue to occupy the premises during the rehabilitation, unless otherwise determined, and will cooperate with the Contractor per the rehabilitation contract. The Contractor will work diligently to complete the contract causing as minimal disruption to the occupants as possible. The Contractor agrees to keep the premises clean and orderly during the course of the work and to remove all debris at the completion of the work. Materials and equipment that have been removed and replaced as part of the work shall belong to the Contractor, unless otherwise specified.

UTILITY SERVICES

As per the rehabilitation contract, the Owner will permit the contractor to use existing utility services (i.e. water, gas, electricity) necessary, without charge, in the performance of the work.

DISPUTES

The HNS will act as an arbitrator for any and all work related conflicts or disputes between the homeowner and the selected contractor.

EXCUSABLE DELAYS

The Contractor shall not be charged with liquidated damages for any delays in the completion of the work due to circumstances beyond his control:

- Acts of the Government
- Unreasonable acts of the Owner
- Acts of God or of the public enemy.

To any delay, the Contractor must promptly notify the Owner and HNS of the cause of the delay. If the facts show the delay to be properly excusable under the terms of the Contract, the Owner shall extend the contract time by a period commensurate with the period of excusable delay to the completion of the work.

UNEXCUSABLE DELAYS

The Contractor will be fined \$250 per day for each day beyond the contracted deadline date for unexcusable delays:

- Lack of materials and equipment on the job
- Lack of competent employees to complete the work, etc.

WORK PERFORMANCE AND GENERAL CONDITIONS

Repairs shall be made to all surfaces damaged by the Contractor resulting from his work under this Contract at no additional cost to the Owner. Where "repair of existing work" is called for by the Contract, the repair is to be placed in "equal to new condition" either by patching or replacement. All damages or loose or rotted parts shall be removed and replaced and the finished work shall match adjacent work in design and dimension.

All labor furnished by contractors and subcontractors must be performed by licensed (if required), trained, skilled, competent craftsmen. The homeowner and the HNS reserves the right to have personnel who are not performing their services in an acceptable manner removed from the job site. All work performed will be subject to inspections and approval by the HNS prior to final disbursement of funds.

The Contractor shall furnish all materials, equipment, etc., at his expense which may be necessary to the satisfactory execution of the contract. The materials used and installed must be new and of the best quality as specified.

The contractor shall protect all work adjacent to the Contract site from any damage resulting from the work and shall repair or replace any damaged work at his own expense (i.e. pavements, trees, fencing, etc.).

The Contractor shall take all precautions to protect persons from injury and unnecessary interference or inconvenience, at all times leave an unobstructed passage of r pedestrians and vehicles and for access to fire hydrants.

PROGRESS INSPECTIONS

Unannounced progress inspections will be made by the HNS and/or the Building Inspection Department during the contract period to insure all work is being performed to code and per the work specifications.

FINAL INSPECTION

A final inspection shall be performed by the Building Inspection Department and the HNS to determine that all construction work has been completed in accordance with the construction contract. All work must pass inspection prior to any payment.

PAYMENT TO CONTRACTORS

There are no progress payments made. After final inspection by the Building Inspection Department and HNS and acceptance of the work performed by the owner, the owner and contractor will sign the completion papers authorizing the HNS to requisition for the final

payment. The final payment requisition will include any amounts due under the contract as adjusted in accordance with approved change orders and subject to withholding of any amounts for Liquidated Damages as may be necessary, to protect the Owner against any claim arising from the Contractor's operations under the Contract. After the requisition for payment has been made, the contractor shall receive payment within ten (10) days.

The HNS may withhold payments to protect the owner from loss because of:

- Defective work not remedied
- Third-party claims filed or reasonable evidence indication probably filing of such claims
- Failure of the contractor to make payments properly to subcontractors for the labor, materials or equipment
- Unsatisfactory prosecution of the work by the contractor

When the above conditions are remedied, payment shall be made for amounts withheld.