

CITY OF DEARBORN HOME REHABILITATION PROGRAM (HRP)

CONTRACTOR HANDBOOK

**Economic Development Department
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Individuals with disabilities who require special accommodations, auxiliary aids or services to participate in the Home Rehabilitation Program (HRP) should consult with a program representative. Reasonable advance notice is required.



FOREWORD

Thank you for your interest in becoming a Contractor on our Approved Contractors Registry. The Home Rehabilitation Program (HRP) provides financial assistance in the form of deferred payment, no interest loans, to qualified Dearborn residents. The loans are for various improvements to their property. In order to ensure quality improvements, the quality of its contractors must be maintained.

This Handbook and its attachments and exhibits are your guide to Dearborn's Housing Rehabilitation Program. Our purpose is to provide you information on the many and varied standards and practices we follow in administering the program.

The Rehabilitation Contract and General Conditions (Exhibit I) describes many of the program's rules, regulation, and procedures. It defines your contractual relationship with program participants. Information in this Handbook is intended to explain the contract provisions. It does not supercede those provisions.

When new procedures are developed or changes made, updates will be provided to all contractors on our Approved Contractor Registry.

*If you have any questions concerning our procedures,
please feel free to contact us!*

I. ORGANIZATION LIST

Jordan Twardy
Director of Economic Development

Regina Sistrunk
Community Development Compliance Officer
(HRP Program Administrator)

☞ HOME REHABILITATION PROGRAM ☞

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Office Hours:
Monday – Friday
8:00 a.m. – 4:30
p.m.

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II. APPROVED CONTRACTOR'S REGISTRY

1. Basic Requirements: To be eligible for participation in the HRP, a Contractor must:
 - a. Hold a valid Michigan Residential Builders License and register that license with the City Clerk to obtain a license to do business in the City of Dearborn.
 - b. Hold valid EPA or State of Michigan Lead Abatement Supervisor certification (project manager) and at least one other employee must hold a valid Lead Abatement Worker or Lead Inspector certification pertaining to lead hazard reduction activities.
 - c. Submit a Contractors Questionnaire to provide information regarding company structure, financial ability to undertake a project, proof of required insurance coverage, names of principal suppliers/subcontractors, and work references.
 - d. Must register their company on the Federal System for Award Management (SAM) registration website. A registration on the SAM.gov website is required for businesses to do federal contracting and for nonprofits to receive grants. A UEI number will be provided after application.
 - e. Have a documented, acceptable past and continuing performance record.
2. Suspension from Approved Contractors Registry:

If the Contractor does not comply with the program requirements or does not perform satisfactory work, he may be disqualified from the HRP, removed from the Approved Contractors Registry, and become unable to bid on or sign rehabilitation contracts. Disqualification reasons include, but are not limited to:

- a. Failure to perform in a safe and workmanlike manner.
- b. Failure to live up to contract obligations.
- c. Failure to honor a bid.
- d. Failure to maintain professional working relationship with the Homeowner or the HRP.
- e. Failure to comply with federal, state and local laws, ordinance and regulations (see contract general conditions for details).
- f. Failure to comply with insurance requirements (see rehabilitation contract for details).

III. BIDDING PROCESS

1. It is the HRP Representatives responsibility to contact qualified contractors (from the contractor's registry or other sources) and to solicit bids for all work necessary to correct the items on the deficiency list. An HRP Representative will provide specifications, a copy of the Approved Contractors Registry, and provide assistance to the homeowners with this task.
2. The Contractor is ultimately responsible for the complete contents of the bid submitted. This includes site familiarity, inspection and review of the job specifications, measurements, and quantities. Bid Proposals are to be returned as a complete proposal, showing both itemized and total bid prices for the work. The Contractor must honor the bid amount for a period of sixty (60) days.
3. The HRP Representative accepts and reviews the bid proposal on behalf of the homeowner. The review will include all proposed work items, that the work conforms to the program specifications, that it will adequately address the deficiencies, and that the cost is reasonable. To be acceptable, the bid proposal document must meet the following requirements:
 - a. The bid proposal document must be submitted in a sealed envelope. The sealed envelope must bear the property address, the Contractor's name and the date of the bid opening. The bid proposal must be submitted no later than the time specified in the bid invitation.
 - b. The bid proposal must contain the "Rehabilitation Bid Proposal" sheet and the "Specifications" ("Base Specification" and if any, "Alternate Specifications"). Contractors are not allowed to submit partial bids.
 - c. The Rehabilitation Bid Proposal sheet must be completed, signed and dated. The specification must show a "price" quote for all items. The grand total bid figure must match the total of line items.
 - d. Contractor's wishing to suggest methods or materials other than specified should do so in a separate attachment. The bid proposal must include a price quote for the item "as specified"; the attachment should reflect the price reduction/increase that will occur if the suggested changes are accepted. The owner and the program reserve the right to accept or reject the proposed deviation from the specs.
4. The HRP Representative may contact the Contractor on behalf of the homeowner to negotiate any revision of the proposal that may be necessary.
5. HRP rehabilitation assistance will not exceed the amount of the lowest qualified bid. The homeowner, however, reserves the right to choose the contractor, including other than the lowest bidder.
6. **The Contractor shall have a total of 45 days to complete the Code Enforcement, Emergency/Minor Home, and Barrier-Free Modification rehabilitation project.**
7. **The contractor shall have a total of 120 days or four (4) months to complete the comprehensive rehabilitation project.**

IV. REHABILITATION CONTRACTING STANDARDS

1. Pre-Construction Conference – Prior to contract signing, a pre-construction conference, usually at the site, shall occur. The homeowner, contractor, and HRP Representative (and/or others, as appropriate) are to attend. Such details as specific materials, colors, model numbers, equipment not clearly identified in the specifications, are determined at this conference.
2. Work Schedule and Contract Execution – The Contractor shall prepare and submit a preliminary work schedule at the pre-construction conference. The HRP Representative, following review and consideration, may amend the work schedule at this conference, or later, as necessary, prior to signing the contract. The contract is signed following agreement on the work schedule.
3. The Contractor may now normally order materials (windows, doors, etc.) and line up any subcontractors necessary for the project. The homeowner authorizes the Contractor to begin work by issuing the Proceed to Work Order upon concurrence with the HRP Representative assigned to the project.
4. The Contractor shall perform all work in conformance with applicable codes, ordinances, and manufacturers specifications whether or not they are adequately described in the project specifications. The contractor's workmanship and performance are subject to evaluation and acceptance by the homeowner, the HRP Representative assigned to the project and all code inspectors.
5. The Contractor shall **not** complete any additional work for the homeowner during course of the rehab project that is not part of the awarded bid specifications which is a part of the approved scope of work.
6. Permits - The Contractor shall obtain and pay for all permits and licenses, shall give all notices, pay all fees and comply with all laws, ordinances, rules, and regulations bearing on this work.
6. Open Roof Inspection - The Homeowner is expected to monitor the day-to-day progress of the job. In addition to inspections required under permits, the HRP Representative will require notification from the Contractor of open roof inspections. Contractor shall attempt to give 24-hour notice for the open roof inspection, Monday through Thursday, during business hours.
7. Final Inspections – The Contractor must be certain all work items are properly completed prior to requesting a final inspection. The final inspection will include reviews by the homeowner, the HRP Representative assigned to the project, all applicable permit inspections from the Residential Services Department and may include a review by Economic Development Department administrators.

V. RELOCATION AND SITE PROTECTION

1. Contracts that involve lead hazard reduction may require relocation of the occupants and their belongings. Temporary relocation is usually required when:
 - a. A child under the age of six occupies the home, unless the lead hazard reduction work can be completed within one period of 8 daytime hours.
 - b. Lead hazard reduction work takes place in the kitchen or in the bathroom (if there is only one bathroom available) and cannot be completed within one period of 8 daytime hours.
 - c. Lead hazard reduction work will require more than five calendar days to complete.
 - d. Debris and dust cannot be contained in the work site and may spread to occupied areas.
2. Occupants will not be allowed to enter the worksite during the lead hazard reduction work. It is the contractor's responsibility to secure the worksite at the end of the workday. Re-entry is permitted only after such work is completed and the unit has passed required clearance testing.
3. The Contractor shall be required to protect the site and the occupants' personal belongings from dust-lead hazards and debris during construction. Preparation may involve restricting access, protecting floors and furnishings, adequately stocking the work area with necessary supplies and equipment, preparing to contain dust, and covering windows and doors. The Contractor shall also be responsible for implementing effective safety precautions on and around the worksite to protect workers and other persons who might be affected.

VI. LEAD HAZARD REDUCTION AND CLEARANCE

1. It is essential that the contractor be diligent at the staging and timing of the lead hazard reduction work. Worksite preparation and protection, protection of occupant belongings, handling and disposal of lead waste, cleanup procedures, and clearance procedures must be performed timely in all instances and take on even greater significance when occupants have been temporarily relocated.
2. Work shall be such that the dwelling unit occupants and the environment are protected from lead-contaminated or lead-containing materials during hazard reduction activities.
3. Trained workers or supervised workers, in accordance with HUD regulations (24 CFR 35.1330(a)(4) must perform the work on lead-containing or presumed lead-containing surfaces.

4. A detailed Clearance protocol is in the Rehabilitation Contract General Conditions. In brief, the Contractor shall clean all exposed interior surfaces with methods and equipment that are effective. Clearance won't be performed sooner than one hour after clean up, and will be performed by HRP personnel or their contractor. The samples will be analyzed by a NLLAP laboratory. Failed components will be re-tested, along with similar unsampled components, until minimum thresholds are reached. In general, the HRP will bear the cost of the initial clearance examination only.
5. Obtaining clearance reports are subject to turnaround times of the laboratory being using and the method of transportation being used to ship the soil and dust wipe samples. Samples sent in the early evening via Fed EX will be received by the laboratory in the mid-afternoon of the next day. The laboratory has a standard five-day turnaround time to do the analysis and reports. Other shorter turnaround times are available at additional cost. It is imperative that you give these factors due consideration. The impact of the processing times may significantly effect other provisions of the contract that you must meet.

VII. PAYMENT PROCEDURES

1. The HRP will not provide "advance" funds for purchase or payment of any item or service on the project.
2. Under ordinary circumstances, the CONTRACTOR will be paid the contract price in one lump sum after the work is satisfactorily completed. Multi-purpose contracts (involving more than one trade) in excess of \$5,000 are eligible for a single progress payment upon 25% completion of the project. Such progress payment shall be disbursed after inspection and approval of the work by the OWNER and the HRP Representative (or designee), less a retainage of up to 15% of the price of the work completed. No more than three payment requests may be submitted per rehab project.
3. A payment shall only be processed following submission to the HRP Representative the invoice, guarantees and warranties, sworn statements and waivers of liens on the project. Conditional waivers of liens will be noted, and final Release of Liens shall be provided to the homeowner and for project files upon final payment.

VIII. WARRANTIES

1. In addition to any manufacturer warranties for equipment, materials, fixtures, etc. (all of which must be provided to the Homeowner, with a copy for the HRP project file), the Contractor warrants that the work and the workmanship performed under the contract conforms to the contract requirements and is free of any defect of material, equipment or design furnished. The Contractor's warranty also

applies to the work of all subcontractors and suppliers used on the project. The Warranty Period is eighteen (18) months and starts when all permits are approved / closed out and the final payment has been approved and submitted (refer to payment date).

2. Under the Warranty, the Contractor shall remedy, at his own expense, any such defect or failure to conform. The Contractor's warranty, with respect to work repaired or replaced hereunder, will run through the original warranty period or for one year from the date of such repair or replacement, whichever is longer.
3. If the warranty is not honored, legal remedies will be considered to obtain compliance, such as, but not limited to, filing formal complaints with the Michigan Bureau of Commercial Services Enforcement. Removal from the Approved Contractors Registry will also be considered when warranty matters are not effectively resolved in a timely manner.

The HRP also reserves the right to withhold payments from other open HRP contracts until such claims and disputes are satisfactorily resolved.

IX. DISPUTES

1. The Owner and the Contractor recognize the authority of the HRP to interpret the contract documents. In the event of a claim between the Owner and the Contractor involving work under this contract, the HRP will act as mediator. When performing the role of mediator, the HRP will offer opinions and resolutions that are consistent with the intent of the contract documents and directed toward settling the claim or dispute, without partiality to either the Owner or the Contractor.
2. Claims by either party must be made as soon as possible, but not more than 14 days after the claimant first recognizes the condition giving rise to the claim. Claims must be by written notice to the other party. Claims and disputes are not to interfere with the progression of work by the Contractor. Payment may be withheld for the portion of the work that is under claim.

X. GRIEVANCES

The Contractor may grieve decisions by the HRP relative to administering rehabilitation contracts. Matters such as being removed from the Approved Contractors Registry, untimely payments, not being awarded a contract, or other related concerns are such issues. Such matters, if not resolved in a timely manner to the satisfaction of the Contractor through informal discussion are to be presented in writing to the HRP Program Administrator. A timely response, with due consideration given to the facts of the matter and the intent of the Contract and all Federal, State, and local regulations and protocols relating to the HRP, will be given.