

City of McPherson 2022 Community Development Block Grant Contractor Guidelines

In order to be eligible to work on houses in the McPherson Housing Rehabilitation program, contractors must meet the following program requirements.

I. Contractor Eligibility

- A. Contractors are placed on the Bidders List through contact with the City.
- B. All contractors must be registered with the City of McPherson Inspection Department.
- C. All plumbing, electrical and mechanical subcontractors must be licensed and have qualifications information on file with the City.
- D. Contractors may be asked to provide work and credit references.
- E. Contractors must have good references.
- F. Contractors must be in good standing which means they will not appear on the Department of Labor's debarment list.

II. Contractor Requirements

- A. Contractors must comply with all federal and state guidelines, rules, regulations and orders issued by the U.S. Department of Housing & Urban Development, the U.S. Department of Labor, and the Kansas Department of Commerce governing the McPherson Housing Rehabilitation program.
- B. Contractors may not work on more than two houses in the City at one time, unless the dollar value of a housing rehabilitation contract is less than \$2,500; except under special exceptions granted by the City Commission.
- C. Contractors shall provide and shall require any subcontractors to provide certificates or other evidence of insurance prior to signing a contract certifying that for the period covered by any contract all contractors and subcontractors carry:
 - 1. Workmen's Compensation Insurance for all owners, employees and employees of subcontractors engaged in work on the premises, in accordance with Kansas Workmen's Compensation Laws.
 - 2. Manufacturers and Contractors Public Liability Insurance with limits of \$100,000/\$300,000 to protect the contractor, his subcontractors, and the owners, as their interest may appear, against claims for injury to, or death of, one or more than one person, due to accidents which may occur or result from operations under any contract; such insurance shall cover the use of all equipment, machinery, hoists and motor vehicles used in the performance of work.

3. Property damage insurance in an amount not less than \$25,000 to protect the contractor, his subcontractors and the owners, as their interests may appear, from claims for property damage that might arise from operations under any contract.
4. Any and all additional insurance required by the laws of the State of Kansas.
5. Lead Based Paint Certification for themselves, all employees and subcontractors, as applicable by law.

D. An invitation to bid will be sent to all contractors. Those contractors interested will be sent a bid package which will include:

1. Instructions to bidders, which will include bid tour date and bid opening.
2. The final bid specifications for each house.
3. A required Bid Proposal form for each house.
4. General and Material Specifications.
5. A notice of where lead hazards have been identified.
6. A copy of the Construction Contract (for informational purposes only).

E. Contractors send sealed bids to **City Clerk Tamra Seely** with the City of McPherson.

F. Bid selection will be determined by the following factors for each house:

1. Lowest bid.
2. **Each contractor will only be allowed have three open CDBG housing contracts at one time.**
3. Low bid on individual line items that are selected for inclusion in the final contract document specifications.
4. Quality of workmanship on previous projects.
5. Performance on previous contracts with federal and state funds.
6. References supplied by the contractor.

G. City Commission approves the best bid.

H. Conference is held between the Grant Administrator and the contractor to finalize the contract specifications, contract terms and to go over federal and state rules, regulations, and laws. Contract specifications may need to be revised due to a maximum allowable limit per house placed on grants to homeowners. The

contract specifications will contain only the highest priority repairs on each house. Change orders must be approved by the inspector and grant administrator.

- I. Conference is held between the Grant Administrator, the contractor and the homeowner to sign the contract and issue the Notice to Proceed.
- J. Terms of payment must be met for payment to be made by the City.
 - 1. Work must pass inspection.
 - 2. Certificate of Completion will be signed.
 - 3. Lien Prevention Document Waiver must be completed and submitted.
 - 4. Contractor will submit an invoice for the amount of the work no later than the Monday prior to the next scheduled payment date of Wednesday. Checks are normally issued weekly, but payment within 5 days cannot be guaranteed. Submittal of invoices one week prior to the next payment date is encouraged to ensure that payment can be made at the next scheduled payment date.