

# Friends of the North Country, Inc.

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## HOW IT WORKS: FOR CONTRACTORS

*This briefing is for contractors who work with or who are interested in working with Housing Rehabilitation Programs administered by Friends of the North Country, Inc. It outlines what to expect and what is expected of the contractor.*

### **How to Become an Eligible Contractor**

To participate with Friends-administered programs, each contractor must complete the Eligible Contractor Application. The contractor must also sign the Affirmative Action Agreement, provide three references and provide proof of at least \$1,000,000.00 in commercial general liability insurance coverage. If work being performed in the City of Plattsburgh the contractor's insurance must include a 1 Million occurrence / 2 Million aggregate. (City of Plattsburgh must be named as additionally insured). Contractors with employees must carry Worker's Compensation and N.Y. S. Disability for all employees. The contractor's sub-contractors must provide evidence of the same coverage. Any contractor/subcontractor relationship must comply with Internal Revenue Service and New York State Workers Compensation Board rules.

After the contractor's application and other paperwork are received and reviewed, a determination will be made whether the contractor firm will be placed on FONC Eligible Contractors List. Friends reviews the Federal Debarment List, Workers Comp filings, Social Media, References etc.

\*If the contractor has previously worked on any Friends administered program, the contractor's prior experience will also be considered to make the determination.

Any contractor and contractor's employee(s) performing Lead Hazard Reduction work must be certified in Safe Work Practices, and/or each must perform that work under the direct supervision of an E.P.A.-Certified Lead Abatement Supervisor. Bid requests for projects involving Lead Hazard Reduction work will be sent only to contractors who provide their qualifications to Friends of the North Country, Inc.

### **How Contractors are Selected**

The Eligible Contractors List is sent to the homeowner for their review and approval before the project goes out to Sealed Bid. The homeowner(s) may cross any contractor(s) off the list.

The Work-Write-Up and Bid Proposal Forms are then sent to approved contractors for each project, along with a memo soliciting Sealed Bids. The memo has the date and time the Sealed Bids are due. Contractors are urged to visit the job site prior to submitting a Sealed Bid as the Work-Write-Up is provided with estimates.

\*Contractors must visit replacement projects before submitting Sealed Bids.

A Housing Rehabilitation Coordinator will answer questions regarding the Work-Write-Up / project before the Sealed Bid due date; bid responses must be valid for at least 90 days. Phone bids are NOT accepted.

Sealed Bids will be publicly opened at the date and time specified in the invitation to bid. For each project, it is necessary to have received at least three unqualified bids\* (two unqualified bids\* on certain funding sources) and the lowest unqualified bid\* must be within programmatic allowable variance from an in-house estimate for the project. In-house estimates for each project, sent out for Sealed Bid, are prepared and on file before the Sealed Bid opening and are strictly confidential; FONC will not share in-house estimates with any party of than State or Federal agencies for compliance.

Projects may be re-bid as written, or revised and re-bid, if no bid(s) seem reasonable. Friends of the North Country, Inc. reserves the right to reject any and all bids. Project bid results are reviewed and approved (or dis-approved) at monthly board meetings. Bid Comparison Charts, a summary of all contractor bids from the Sealed Bid opening, are prepared and available upon request. (\* An *unqualified bid* will have no added qualifying language, conditions, modifications, contingencies, etc.)

Contractors must disclose, on the Sealed Bid proposal form, for each project, if they intend to use a subcontractor. Subcontractors may NOT be used on a job without prior approval from Friends of the North Country, Inc.

### **Contracts, and Starting the Project**

After a project has been board approved, the contractor or the contractor's insurance company must provide a certificate of insurance with the Homeowner, Friends, and the specific funding source (e.g. HUD, NYSHTF, etc.) listed as "Certificate Holders." After the contractor's insurance certificate is obtained contracts are generated outlining the project. The contracts are an agreement between the contractor and the homeowner and include the Work-Write-Up, contractors' insurance and expected project start and completion dates. Most projects are scheduled for a 90-day completion period, but allowances may be made for large projects, scheduling conflicts, weather, and on a case-by-case basis.

When the contracts are ready for execution (signing), Friends will contact the contractor and the homeowner. The owner will issue the contractor a written Proceed Order after the contracts are signed, and the contractor is expected to commence work within the time frame specified in the Contract.

No work may start until all the contract documents are fully executed and a Proceed Order is issued. Prior to starting work, the contractor must obtain a Building Permit and provide a copy to Friends of the North County, Inc. by fax, mail or hand-deliver to our office.

\*The first project payment cannot be processed without a copy of the building permit.

### **Progress**

Friends staff will monitor construction milestones for the purpose of payments and quality of work. The local Building Inspector or Code Enforcement Officer will occasionally inspect the job and is required to do a final inspection in order to issue a Certificate of Completion/ Certificate of Occupancy; the C of O (or C of C) is necessary to process the final payment requisition.

### **Payments**

The contractor must contact the Housing Rehabilitation Coordinator in charge of the project to request a payment for work completed. The Rehabilitation Coordinator will need to prepare the payment request voucher, review the work progress at the site, and obtain the required signatures.

All payments are in the form of two-party checks, payable to both the homeowner and the contractor; homeowner endorsement is required.

Payments are made for completed work only and a 10% retainage is withheld from each payment until the entire job is complete.

\*Most programs limit payment request to three submissions; replacements are not subject to this limit.

### **Change Orders**

Change Orders will only be issued for discovery items that were not included in the original Work-Write-Up and are dependent upon funding. Change Orders must be pre-approved, in writing and signed by all parties.

\*A contractor cannot be paid for any work not included in the Work-Write-Up attached to contracts without an approved change order; signed and approved by FONC Executive Director and or Town Supervisor and the homeowner.

### **Warranties and Lien Waivers**

As of the final payment request for each project, the contractor must certify that there are no liens, including those of subcontractors and suppliers, on the project, and the payment form includes a contractor certification statement that all vendors, suppliers, etc. have been paid. The contractor must also provide a written one-year warranty on all work and provide the owner with all other warranties such as roofing material, water heaters, etc. (these forms are combined into one document).

\*A completed Warranty and Lien Waiver is required prior to final payment.

### **Removal from the Eligible Contractors List**

A contractor may be removed from the Eligible Contractors List for a variety of reasons, including unsatisfactory workmanship, failure to complete work in a timely manner, failure to correct problems covered by the project warranty, and other reasons deemed appropriate.

A contractor may be temporarily prohibited from receiving bids if they have (3) three (moderate to substantial) awarded bids that are in process by grant programs administered by Friends of the North Country, Inc.

### **Conflicts of Interest**

Contractors must disclose if the contractor have financial or family relationships with staff or Board Members of Friends of the North Country, Inc. Contractors (the contractor) will be excluded from participating in Friends-administered programs if a conflict of interest is found to exist.