



COMMUNITY DEVELOPMENT BLOCK GRANT HOUSING REHABILITATION PROGRAM

CONTRACTOR GUIDELINES

How do I qualify to be on the Bidders List for the City of Scottsdale's Community Development Block Grant Program (CDBG) funded Housing Rehabilitation Program?

PROSPECTIVE CONTRACTORS SHALL:

- Have a City of Scottsdale Privilege Tax License;
- Be licensed with the Arizona Registrar of Contractors without any pending, unresolved, or valid complaints;
- Be bonded and provide proof of liability insurance and workers compensation;
- Complete the City of Scottsdale's contractor application with the Community Assistance Office on a yearly basis.

What should I know about Rehabilitation project bids?

- The maximum loan amount for each project is \$35,000
- Contractors registered to bid for the CDBG Housing Rehabilitation Program will be notified by an Invitation to Bid for each job. Homeowners may also select additional contractors on their own to bid as long as each contractor meets the above criteria. A mandatory walkthrough date will be listed on the Invitation to Bid. Contractors shall attend the walkthrough to be eligible to submit a bid for that particular job.
- Bids shall be submitted to the City of Scottsdale's Community Assistance Office in accordance with the Specifications and the Invitation to Bid.
- Bids shall be submitted on time as indicated by the Invitation to Bid. Late bids will not be opened. If less than three bids are accepted on the due date, the homeowner is required to advertise the project for additional bids.
- All work shall be specified in the work specifications in conformance with the General Conditions. Contractors shall not add or delete any item from the work specifications unless the Rehabilitation Coordinator submits an addendum to all bidding contractors. The Housing Rehabilitation Program shall not pay for work that is not included in the work specifications.
- In order to facilitate the timely completion of projects to be undertaken, the Housing Rehabilitation Program reserves the right to temporarily exclude any contractor from future bid notifications when three (3) or more Housing Rehabilitation projects are concurrently under contract or have been awarded to that contractor at that time. Contractors will remain on the Housing Rehabilitation Program's active list of contractors, but will not be invited to bid new projects until one (1) of its three (3) contracts are completed.

Who are the parties of the contract and what is the City's role?

- The contract is solely between the homeowner and contractor. The City is not a party to the contract. The City's role is to administer a HUD-assisted loan. The Housing Rehabilitation Coordinator also provides technical assistance in developing specifications and performs site inspections to ensure that the work is completed as stated in the specifications.

What are the workmanship and quality expectations?

- The contractor is expected to provide and install materials as stated in the specifications, approved addenda and change orders in accordance with industry standards and the general conditions.
- Contractors are required to warranty all work completed for a period of two years from the completion date of the project.

What should I know about Change Orders?

- After commencement of a contract, any changes to the specifications must be submitted as a Change Order and approved by the homeowner, Rehabilitation Coordinator and Community Assistance Manager. The Change Order must be approved prior to commencement of any work not included in the specifications
- Change orders shall authorize any deviation from the specifications and contract documents.
- Change orders shall serve as documentation and must explain why a change is required, what the change involves and the cost of the change.
- The contractor shall absorb all cost's that are not authorized by a change order.

How can I avoid problems during the course of a project?

- Complete all projects on or before the specified completion date. Projects that are not completed by the specified date will be penalized by a deduction in contract amount of \$50.00 per day.
- Maintain a cordial working relationship with the homeowner and communicate on a regular basis.
- Be sure to read each project bid packet thoroughly.

The Housing Rehabilitation Program reserves the right to exclude any contractor from bidding who has entered into liquidated damages on a project, has any pending, unresolved, or valid complaints with the Arizona Registrar of Contractors or has not maintained required warranty obligations on completed projects.

How can I avoid problems like the ones listed above?

- Immediately submit necessary changes as a written Change Order to the Housing Rehabilitation Coordinator prior to commencing of any changes to the specifications.
- Valid change orders shall always be approved by the homeowner, Rehabilitation Coordinator and Community Assistance Manager, prior to commencement of these changes.
- The Rehabilitation Program and homeowner are not required to execute a change order at any time.
- Effectively communicate with the homeowner on issues such as scheduling, minor problems or misunderstandings, etc.

By signing this document, I acknowledge that I have read, understood and accept the contractor guidelines.

Company Name

Contractor

Date