



CONTRACTOR WELCOME PACKAGE

OUTLINE

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- III: Contractor Qualification Process (slides 6 - 9).
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- VI: Regarding Side Deals, Change Orders, Work Specifications, etc. (slides 23 – 27).
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Housing Program Purpose

- Assist properties occupied by low-and moderate-income households to correct existing interior and exterior health, safety and code violations.
- **New Jersey:** Work must conform with the standards of the New Jersey State Housing Code, N.J.A.C. 5:28, the Rehabilitation Sub code, N.J.A.C. 5:23-6 and local municipal code.

Types of Repairs

- Code Violations, and safety and health hazards.
- Major systems must be in need of replacement or substantial repair.
- Roof, electrical, heating, plumbing, sanitary plumbing, weatherization, and/or structural. For houses built prior to 1978, lead paint hazard reduction.

Benefits to Contractors

- Guaranteed payment (if work is completed as per the description of repairs & work standards).
- Save time and money marketing – Bids are provided directly to you at no cost.
- Bid on professionally-prepared work write-ups.
- Program Inspectors oversee process and mediate disputes with homeowners.
- Bid on as many or as few jobs as you like.
- Make money while helping your community.

Contractor Qualification Insurance Requirements

- A valid liability insurance certificate in an amount not less than \$1,000,000 in commercial general liability coverage.
- Workmen's compensation insurance is required for all contractor's employees and subcontractors engaged in the program work and shall include a minimum of \$500,000 in employer's liability limits and statutory coverage.
- When awarded a job – contractor will have to provide an updated certificate of insurance naming CGP&H and applicable municipality as additional insured.

Contractors New To Our Programs

- Upon first job award notification and prior to construction agreement signing – you must attend a brief one-on-one orientation with the Program Inspector. The orientation may be conducted in person, by phone or virtual conference (Zoom, UberConference, Teams, etc.).
- Automatic probation period of one active construction job at a time, for your first three awards, of which each must be completed successfully before you can be awarded multiple jobs.

Contractor Qualification Requirements- New Jersey

- A completed Contractor Application, including 3 to 5 customer references.
- Copy of NJ Business Registration Certificate (NJ Department of the Treasury, Division of Revenue);
- A copy of current NJ Home Improvement Registration (NJ Division of Consumer Affairs);
- Copies of any Lead Certifications, if applicable.
- Copy of completed and signed W-9.
- For Programs funded via the Federal Government, contractors must be registered with SAM.gov and provide a valid Dun and Bradstreet (DUNS) number.

Contractor Qualification Requirements- Pennsylvania

- A completed Contractor Application, including 3 to 5 customer references.
- Copy of PA Home Improvement Contractor Registration (available via PA Attorney General's office).
- Copies of any Lead Certifications, if applicable.
- Copy of completed and signed W-9.
- For Programs funded via the Federal Government, contractors must be registered with SAM.gov and provide a valid Dun and Bradstreet (DUNS) number.

Bid Package

- Note the bid opening date, time and location on the bid notice. No exceptions allowed. Bid package MUST arrive on time at right bid opening location.
- When calculating bid, costs on bid sheet are to be reduced to reflect all eligible rebates.
- Type or clearly print prices on Bid Sheet.
- Your bid price is the sum total of each line item. Be sure to check your math before submitting your bid.
- Read and familiarize yourself with the “General Requirements” in the scope of work. You will be responsible to follow them if awarded a job.
- Must complete specification list in bid package.
- If necessary, please be sure that your email filter allows emails from CGP&H. This will help to ensure that you do not miss a bid opportunity. Please also be sure to provide all current contact information.

Each bid submitted must include:

- Completed (typed or clearly printed) and signed bid sheet.
- Completed Product Specification Sheet (provide all information as required).
- Completed Bidder's Proof of Job Site Visit including homeowner signature.
- Completed Affidavit of Contractor.
- List of subcontractors, if any.
- Contractor initialed Contractor Bid Package Checklist.
- Please be sure to send your completed bid in one PDF file or fax. Avoid sending your bid documents piecemeal.
- Please do not return the Work Write-up with your bid.

Bid Process

- If any questions regarding scope of work – call inspector listed on bid documents to answer your question before submitting bid. Don't rely on homeowner's comments.
- During bid inspection, don't discuss work outside of program work write-up. Homeowner already reviewed and approved scope of work. No changes during bid process.
- Ensure you fill in all required information in bid package (get homeowner signature on bid inspection, fill in specs sheet per State law, etc.).
- Bid the job as written in the description of repairs.

Bid Submission Options

- ALWAYS READ SPECIFIC INSTRUCTIONS – SOME OPENED AT MUNICIPALITY. MOST OPENED AT CGP&H OFFICE.
- FOR BIDS DUE AT CGP&H OFFICE, YOU HAVE THE FOLLOWING SUBMISSION OPTIONS:
 - SECURED EMAIL (EACH CASE IS ASSIGNED A UNIQUE EMAIL ADDRESS FOR BID SUBMISSION)
 - SECURED FAX (MUST SEND TO FAX LINE 609-664-2785)
 - BY MAIL, SPECIAL DELIVERY OR HAND DELIVERED
- YOUR BID MUST BE RECEIVED BEFORE DESIGNATED BID OPENING TIME

Follow-up During the Bid Process

During the three-week bidding process, CGP&H staff will send you a few reminders, as follows:

- Two weeks prior to the bid opening date, a reminder email with a copy of the bid invitation attached will be sent to all contractors on the County list regardless of whether or not a bid package was requested.
- One week prior to the bid opening date, contractors who requested a complete bid package will receive a reminder email, including an extra copy of the bid package.
- The program inspector will send you a follow-up via text message regarding the upcoming bid opening.
- We understand that you are very busy. However, please make every effort to respond to our follow-up attempts during the bid process.
- Please let us know your intentions in advance of the bid opening of whether or not you plan to bid on a job.

Bid Review and Bid Award

- Program inspector reviews the bids.
- For contractors new to the program, refer to probation period limitations on page one.
- Program awards to the lowest responsible bidder.
- Homeowner has the option to choose a higher bid and pay the difference between the two bids. So, represent yourself well at the bid site visit.

What if Bids Exceed Program Funding Limit?

- Program inspector compares to cost estimate to see if bids are fairly priced.
- If so, the program inspector will ask homeowner if they can contribute the difference.
- Seek other funding sources.
- Negotiate price with contractor.
- If all else fails, place out for re-bid or terminate case.

Loan Closing and Construction Signing

- Contractor MUST attend the loan closing. Only the principal of a company is to sign the construction agreement
- If the contractor uses an estimator, he/she must also attend the loan closing
- Contractor to be prepared to give a work start date and a construction schedule timeline at the loan closing

Permit Application

- Tell Construction Office it is a Home Improvement Program job
- You must give the Construction Office a copy of the construction agreement scope of work
- Minor Work - Permits must be applied for before starting work. The construction official's office must be notified when work is starting.
- Provide program inspector with a copy of your permit application and permits when received.

Construction Start and Completion Timeline

- Abide by timeline dates identified in the construction agreement or risk construction agreement penalties.
- Provide justifiable delays in writing to avoid penalty.
- N.J.A.C. 13:45A-16.2 State Home Improvement Practices Regulations (if applicable).

Lead Based Paint Hazard Controls

- Applicable to target housing (homes built prior to 1978)
- EPA RRP rule applies to non-federally funded rehabilitation programs.
- Rehab programs where federal funding limit is less than \$25,000. LRA conducted by Lead Inspector /Risk assessor. Interim Controls apply. Lead Safe Work Practices & Lead Clearance apply.
- Rehab programs where federal funding limit exceeds \$25,000. LRA conducted by Lead Inspector /Risk assessor. Lead Abatement required for interior lead hazard control work. Interim Controls required for exterior work lead hazard control work.
- Provide program inspector with all documents as required in the work write-up lead specifications.
- Contact program inspector when lead hazard control work begins.

Lead Requirements

Federal Funding

- HUD 24 CFR Part 35 regulations apply to all federally funded rehab projects.
- Contractor must be an EPA certified firm and must provide copy of certification.
- All workers conducting lead hazard control work or work involving lead safe work practices must be EPA certified renovators. Copies of certificates must be provided prior to bid award.
- Provide copy of State Lead Abatement license when applicable
- Contact program inspector to schedule lead clearance

Lead Requirements

Non-Federal Funding

- EPA 40 CFR Part 745 regulations apply to non-federally funded rehab projects.
- Contractor must be an EPA certified firm and must provide copy of certification.
- Name of Certified Renovator including certification and documentation of non-certified worker training.
- Certified Renovator to prepare post renovation report and submit to homeowner & program inspector.
- Training is available through agencies such as Zack Academy, Inc. (www.zackacademy.com) and Access Training Services (www.accesstrainingonline.com).

NO

Side Deals Not Allowed



- No side deals **EVER** with the homeowner during program rehabilitation work.
- This is for everyone's protection and to not interfere with the program work.
- If the homeowner wants you to privately do any work for them, it **MUST** occur **AFTER** the program work is completed.
- Side deals can terminate contract and cause non-payment of altered work.

Change Orders

- Only for unforeseen code violation related work.
- Must be on program form you get from program inspector.
- Must be fully executed by homeowner, contractor and program before start of change order work. Otherwise, risk non-payment.
- Any program approved change of work whether or not change to price must be documented by change order. This is state contractual law under the Consumer Fraud Act Home Improvement Practices Regulations.

Important Tips for Positive Experience



- Cleanliness on site
- Timeliness – work schedule
- Respond to homeowners and CGPH staff within a reasonable time period.
(Situations escalate when parties feel that they are being ignored).
- Courtesy and Professionalism – construction team to be respectful of homeowner

Nip it in the Bud



- The moment that you get into a communication problem with a homeowner, call the program inspector, and he will attempt to mediate via a three-way meeting or a three-way telephone conference

**Follow work
specifications**

**Use proper material
and material application**

Inspection and Payment Process

We know you are an important part of the program process and want you to get paid promptly.

Therefore:

- DO NOT request inspections prematurely
- Avoid penalties for prematurely requesting the final inspection
- Contact Housing Rehabilitation (HR) Specialist for each municipality's payment schedule and work to facilitate timely payments to yourself by requesting inspections to coincide, whenever possible.



Be Prepared

- Though there are no upfront payments, payments are guaranteed when your work is completed correctly according to the work specifications.
- Payments provided as a progress payment (at least 40% of job completion) and a final payment, according to each municipality's payment process, most at council meeting bill nights.
- For jobs exceeding \$25,000, additional progress payments can be requested.
- Plan accordingly. Be certain that you have sufficient capital to carry job costs.

Case Close-out

Prior to Requesting a Final Payment:

- Close out the permit(s).
- Give product warranties to homeowner.
- Provide HR Specialist or Program Inspector your signed and notarized *Certificate & Release*, and *Closeout* program forms (given to you at loan closing)
- Provide HR Specialist with municipal *Certificate of Approval* (when applicable)



In a Nutshell

- Follow the procedures and all should go well.
- If you don't follow the procedures, you can be removed from the contractor list for future bidding opportunities.

We want you to be successful

- Your professionalism and the quality of your workmanship directly affects your reputation and the success of your company.
- Do a great job: the homeowner may hire you for future home improvements and/or will likely recommend you to friends and family.
- We have several contractors who have actively participated in the Program over many years. The Program can afford you the opportunity to grow your business.

Housing Programs

Refer to our website

www.hip.cgph.net

For list of current housing rehabilitation programs

Ensure that you notified us of which counties you want to receive bid notices

CGP&H Contact Information

- Corinne Markulin, Vice President: 609-642-4853, corinne@cgph.net
- Matt Hynes, Senior Program Inspector: 609-580-0285, mhynes@cgph.net
- Dean Fontenelli, Program Inspector: 609-608-2406; dfontenelli@cgph.net
- David Landri, Senior Housing Rehabilitation Specialist:
• 609-664-2783, dlandri@cgph.net (David maintains contractor records).
- Brittany Sanchez, Senior Housing Rehabilitation Specialist: 609-642-4992, bsanchez@cgph.net
- Beth McCann, Housing Rehabilitation Specialist: 609-664-2781, bmccann@cgph.net
- Migdalia “Mickey” Guzman, Housing Rehabilitation Specialist: 609-366-9010, mguzman@cgph.net
- Celina Rivera, Housing Rehabilitation Specialist: 609-642-9081, celina@cgph.net



Let's all work toward constructive construction

Your understanding of the program guidelines will help the process run smoothly. Thank you for reading this welcome package! We look forward to the prospect of working with you!



ADDENDUM (COVID-19)

- **NJ:** COVID-19 PROTOCOLS WERE ISSUED IN EXECUTIVE ORDER NO. 142, RELEASED ON 5/13/2020 (ORDER PERMITTING RESUMPTION OF NON-ESSENTIAL CONSTRUCTION). A COPY OF EXECUTIVE ORDER NO. 142 CAN BE PROVIDED TO YOU, IF NECESSARY.
- **PA:** COVID-19 PROTOCOLS WERE ISSUED IN THE GOVERNOR'S PRESS RELEASE ON 4/23/2020 (CONSTRUCTION INDUSTRY GUIDANCE – 041920, REGARDING RESUMPTION OF CONSTRUCTION WORK). A COPY OF THE PRESS RELEASE CAN BE PROVIDED TO YOU, IF NECESSARY.
- CONTRACTORS ARE ALSO ADVISED TO KNOW AND FOLLOW CDC GUIDELINES REGARDING COVID-19. CDC GUIDELINES FOR COVID-19 CAN BE FOUND AT WWW.CDC.GOV/CORONAVIRUS/2019-NCOV/INDEX.HTML. THE CDC GUIDELINES ARE UPDATED FREQUENTLY, SO PLEASE BE SURE TO CHECK THEM OFTEN.

Pennsylvania: Prevailing Wage Information

- In Pennsylvania, prevailing wage laws apply to any state or municipal construction project funded with public funds that cost over \$25,000. This includes the Abington and Norristown Housing Rehabilitation Programs. Prevailing wage does not apply to the Montgomery Housing Rehabilitation Program. The **prime contractor, as well as subcontractors**, must adhere to the following guidance and procedure.
- Contractors working in Pennsylvania on public works projects must pay their workers on a weekly basis.
- The prevailing wage rates for a project must be posted by the general contractor and each subcontractor on-site.
- The rates must be accessible to all workers.

- TO LEARN MORE ABOUT PREVAILING WAGE REQUIREMENTS AND PROCEDURES, YOU CAN VISIT THE FOLLOWING LINK:
- <https://www.dli.pa.gov/Individuals/Labor-Management-Relations/llc/prevailing-wage/Pages/default.aspx>

- **If YOU HAVE ANY QUESTIONS REGARDING THE FORMS AND PROCESS, CONTACT:**
- **Brittany Sanchez**
- **Senior Housing Rehabilitation Specialist**
- bsanchez@cgph.net
- **609-642-4992 (Direct Line)**
- Brittany is offering 15 minute group Zoom meetings on prevailing wage to interested contractors.