

**Triangle J Council of Governments
Procurement and Disbursement Policy
for the 2021 Cycle of the
Essential Single-Family Rehabilitation Loan Pool**

PROCUREMENT POLICY

- 1) To the maximum extent practical, Triangle J Council of Governments (Triangle J), through its consultant Rehabilitation Specialist (Rehab Specialist), Rebuilding Together of the Triangle (RTT), promotes a fair, open and competitive procurement process as required under the North Carolina Housing Finance Agency's Essential Single-Family Rehabilitation Loan Pool (ESFRLP). Work under ESFRLP will be procured through the use of licensed general contractors, as described below.
- 2) Bids are invited from Contractors who are part of the Rehabilitation Specialist's approved contractor registry. (To be on the registry, a contractor must complete an application, have their recent work inspected, reviewed and approved by the Rehabilitation Specialist and submit proof of insurance.) Any contractor listed with and approved by the Rehabilitation Specialist and in good standing will receive automatic approval status on the contractor registry.
- 3) At least three eligible contractors on the Rehab Specialist's approved contractor registry shall be invited to bid on each job and the lowest responsive and responsible bidder shall be selected for the contract. "Responsive and responsible" means (a) the contractor is deemed able to complete the work in a timely fashion, (b) the bid is within 15%, in either direction, of the Rehabilitation Specialist's cost estimate, (c) there is no conflict of interest (real or apparent) (d) have not been debarred/suspended or are ineligible entities and (e) past performance with the Rehab Specialist's rehabilitation projects has been successful. The same process applies to phone bids if utilized. All contractors working on pre-1978 units must be Renovation, Repair and Painting Rule (RR&P) Certified Renovators working for Certified Renovation firms; only those contractors with both certificates on file will be invited to bid on pre-1978 homes.
- 4) Although bid packages may be bundled for multiple job sites, the bids for multiple job sites shall be considered separate and apart when awarded and shall be awarded to the lowest responsive and responsible bidder(s) for each job site.
- 5) Bid packages shall consist of an invitation to bid, work write up(s) and bid sheet(s) for each job. Bids must include a cost-per-item breakdown with line item totals equaling the submitted bid price. Discrepancies must be reconciled prior to a contract being awarded.
- 6) Any change to the original scope of work must be reduced to writing in the form of a change order to be agreed upon and signed by all parties to the original contract and two representatives of Triangle J. The change order must also detail any changes to the original contract price.
- 7) No work may begin prior to a contract being awarded and a written order to proceed provided to the contractor. In addition, a pre-construction conference and "walk thru" shall be held at the work site prior to commencement of repair work.
- 8) Triangle J and the Rehab Specialist reserve the right to reject any or all bids at any time during the procurement process.

- 9) In the event of a true emergency situation, the City reserves the right to waive normal procurement procedures in favor of more expedient methods, which may include seeking telephone quotes, faxed bids and the like. Should such methods ever become necessary the transaction will be fully documented. In the event phone bids are used, The Rehab Specialist will call the first three responsive contractors on the approved contractor list who have indicated a desire to be on the telephone call list. The Rehab Specialist will track who has been called and responsive, and will rotate through the full list before beginning the rotation again.
- 10) All sealed bids will be opened publicly at a time and place to be announced in the bid invitation. All bidders are welcome to attend. All bidders and the homeowner will be notified in writing of 1) the selection of the winning bid, 2) the amount of the winning bid, 3) the amount of the Rehab Specialist's cost estimate, and 4) the specific reasons for the selection, if other than the lowest bidder was selected.
- 11) Triangle J is an equal opportunity employer, implements non-discriminatory practices in its procurement and disbursement and will make special outreach efforts to include minority and women business enterprise businesses within its contractor and subcontractor pool.
- 12) The contractor is responsible for obtaining a building permit for the project before beginning work if supported by the local jurisdiction. The permit must be posted at the house during the entire period of construction. If applicable, the contractor will obtain a permit for lead hazard related activities. The Rehab Specialist will closely monitor the contractor during the construction period to make sure that the work is being completed according to the work write-up (which is made a part of the rehabilitation contract by reference) and in a timely fashion. Local Code Enforcement Officials will inspect the work for compliance with the NC State Building Code and the local minimum housing code, when applicable. To protect personal property the homeowner will be responsible for working with the contractor toward clearing work areas of personal property as needed as much as practicable. The contractor will be responsible for all clearing and cleaning activities necessary due to construction activities.

DISBURSEMENT POLICY

- 1) All repair work must be inspected by (a) the Triangle J Council of Governments' Rehabilitation Specialist, (b) the local building or minimum housing code inspector when applicable and (c) the homeowner prior to any payments to subcontractors. If all work is deemed satisfactory and all other factors and written agreements are in order, payment shall be issued upon presentation of an original invoice from the subcontractor. Subcontractor should allow 25 business days for processing of the invoice for payment.
- 2) When the contractor declares the work complete, the Rehabilitation Specialist will thoroughly inspect the work. If any of the work is deemed unsatisfactory, it must be corrected prior to authorization of final payment. If the contractor fails to correct the work to the satisfaction of the Rehabilitation Specialist, payment may be withheld until the work is deemed satisfactory. (Contractors may follow the Triangle J Council of Governments' Essential Single-Family Rehabilitation Loan Pool Assistance Policy if a dispute occurs; however, contractors shall abide by the final decision as stated in the policy). The Homeowner, Project Administrator and Rehabilitation Specialist will sign off on the work.
- 3) Following construction, the contractor and the Rehabilitation Specialist will meet with the Homeowner in a post-construction conference. At this conference the contractor will hand

over all owner's manuals and warranties on equipment and products to the homeowner and be available to answer homeowner questions.

- 4) After receipt of the contractor's final invoice, inspections, certificate of completion and lien releases, the final payment will be ordered. All material and workmanship will be guaranteed by the contractor for a period of one-year, using the date the Rehabilitation Specialist declares all work complete and approves the final invoice for payment, the homeowner will be provided the one-year warranty date in writing.

The Procurement and Disbursement Policies are adopted this the 23rd day of June 2021 by Triangle J Council of Government's Board. Updates were made on September 29th, 2021 by Triangle J's Executive Director.

DocuSigned by:

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 Lee Worsley, Executive Director

Triangle J Council of Governments' Rehabilitation Specialist

BY: _____

ATTEST: _____

SUBCONTRACTORS STATEMENT:

I have read and understand the attached Triangle J Council of Governments Procurement and Disbursement Policy.

BY: _____

COMPANY NAME: _____

WITNESS: _____