American Rescue Plan Act (ARPA) Contractor Qualification Meeting

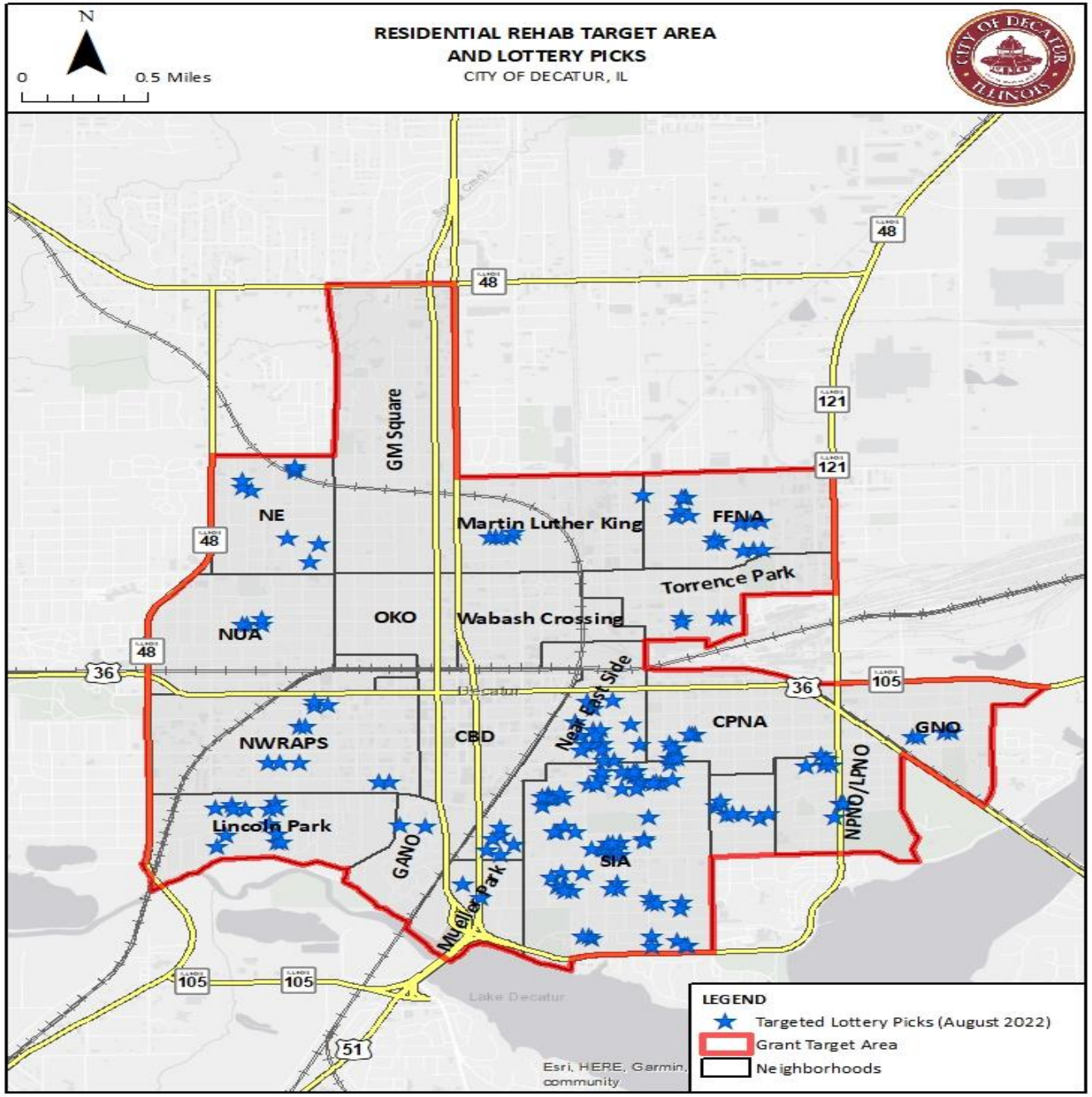
Economic & Community Development Department

Neighborhood Revitalization Division

City of Decatur

1 Gary K. Anderson Plaza,
Decatur, IL 62523

Target Area Map



Objectives

Some of the objectives of this program include:

1) To remove unhealthy or hazardous housing conditions in low and moderate income areas.
2) To use American Rescue Plan Act (ARPA) funds as a catalyst to encourage residents of low and moderate income neighborhoods to improve their homes and community.
3) To revitalize and preserve the existing housing stock.
4) To low and moderate income families to rehabilitate their homes.
5) To reduce utility costs of low and moderate income families, by incorporating energy conservation systems into housing rehabilitation programs.
6) To preserve and increase the property values in low and moderate income neighborhoods.
7) To encourage employment and training opportunities for residents and minority persons through the opportunity to bid on housing rehabilitation programs.
8) To create sustainable mixed-income neighborhoods in the urban core.

Program Overview

The City of Decatur's Neighborhood Revitalization Division (NRD) maintains a list of qualified contractors. The four contractor categories we recognize for the American Rescue Plan act programs are:

1) Prequalified Contractor = One who is eligible to perform contractor work per the general requirements given in the contractor's manual.
2) Qualified Contractor = One who has fulfilled all the general requirements given and has successfully completed work for the city.
3) Certified Lead Contractor = One who has fulfilled all the qualification standards, successfully completed work for the city, and holds a valid Illinois Lead Abatement Contractor license.
4) Disqualified Contractor = A disqualified contractor is a contractor who has failed to meet all the prequalification standards or who has failed to successfully complete a contract agreement through the AMERICAN RESCUE PLAN ACT Program. They have been temporarily or permanently denied participation in the city projects.

To participate as a contractor in the American Rescue Plan Act Owner Occupied Grant Program bidding process, a general contractor must:

1) Submit a completed contractor's Certification Application Form, which provides information regarding the company structure.
2) Provide the name of insurance carrier(s) for general liability, auto and workers' compensation coverage.
3) Provide work references.
4) General contractors must have an active Unique Identity ID (SAM) number and cage code. The contractor must be listed in the Sam.gov program with no issues.

Eligible activities for the owner-occupied rehabilitation program include, but are not limited to:

1) Roofs, porches and exterior stairs/steps.
2) Foundation and structural improvements.
3) Accessibility improvements for occupants with disabilities.
4) Repair/replacement of mechanical systems.
5) Lead remediation.
6) Exterior painting, trim, and or fascia.
7) Tuck point and/or masonry.
8) Driveways and retaining walls.

Prequalification

The following procedures will be used to establish a list of prequalified contractors:

1) Insurance information.
2) Names and addresses of at least two or more customers for whom the contractor has performed housing or commercial rehabilitation work.
3) Authorization permitting the city to directly verify all the requirement information (Contractor’s Certification Form)

Qualification

Qualified contractor status indicates the contractor has successfully completed an ARPA project(s) and is a contractor in good standing. Qualified Contractors Must:

1) Submit Contractor Certification Application.
2) Submit Subcontractor Information Form if necessary.
3) Complete Employer Report Form for Equal Employment Opportunity purposes.
4) Provide address and contact information for one current rehabilitation of greater value than $25,000.00 and completed within the past twelve months.
5) Provide proof of insurance to the limits required by the standard contract and agreement used by the American Rescue Plan Act program or able to secure such insurance and license as required by the state and/or city in this manual.

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6) Be capable of meeting a minimum construction standards inspection, which includes but is not limited to quality of workmanship, job site cleanliness, appropriate work attire, and site safety practices as determined by the NRD or the Economic and Community Development division's Assistant Director. The minimum standard inspections will be performed on both the ongoing project and the completed project as provided by the contractor.
7) Demonstrate a history of securing permits as are required by local standards.
8) The contractors must submit a Subcontractor Information Form if applicable. The subcontractors will be held to the same standards as the general contractors. Subcontractors will be registered and active with a Unique Identity ID (SAM) number and Cage Code.
9) Maintain good standings with all federal and state agencies and conduct consistent with public policy. This holds true for general contractors and subcontractors alike.

LEAD CERTIFICATION

"TO CONDUCT ANY LEAD SERVICES, INCLUDING LEAD INSPECTION, LEAD RISK ASSESSMENT, LEAD HAZARD SCREENS, LEAD MITIGATION, OR LEAD ABATEMNT WORK AND SUPERVISION, IN A REGULATED FACILITY IN Illinois, individuals must be licensed (https://www.zackacademy.com/lead-paint-removal-license-Illinois)."

1) Lead Supervisors – oversee the removal of lead.
2) Lead Workers – perform the removal of lead.
3) Company Registration – All employees must receive proper training certifications and the company must register with the State of Illinois as a Lead Abatement Contractor.
4) General Contractors may hire a Lead Abatement Contractor as a subcontractor for any lead work that needs to be completed if not licensed to do so themselves.

To participate in the American Rescue Plan Act (ARPA) Program's bidding process as a Lead Abatement Contractor, the following must be submitted annually:

1) Contractors Application Form which provides information regarding the company structure.
2) Insurance carrier(s) for general liability, auto, and workers compensation coverage including lead liability riders.

Disqualification

Rehabilitation contractors may be denied participation in the city projects by the city's ARPA staff on either a temporary or a permanent basis for one or more of the following reasons:

1) Provision of false or misleading information.
2) Inadequate construction experience or expertise.
3) Poor references.
4) Failure to meet federal requirements.
5) Poor workmanship.
6) Violation of contract start date or completion date.
7) Misrepresentation of pay requests.
8) Unapproved material substitution.
9) Unreasonable/unexplained delays.
10) Unsatisfactory work and unsatisfied complaints.
11) Abuse of change order provisions.
12) Failure to perform work in accordance with specification and contract period.
13) Inability to secure or failure to maintain required insurance, bond, licenses, or permits.
14) Failure to comply with contract provisions.

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15) Failure to pay subcontractors in a timely fashion.
16) Failure to respond to justifiable complaints of recipient property owners concerning rehabilitation work performed.
17) Disqualified by any federal ow state agency, or any other city department.
18) Insufficient financial resources to complete work.
19) The contractor’s financial insolvency, bankruptcy, or other condition which has resulted in a monetary loss to a property owner or the City of Decatur.
20) Outstanding debt owed to the City of Decatur.
21) Lack of proper/current lead documentation(applicable to Lead Certified Contractors only).
22) Abandonment of a rehabilitation job or failure to complete specified rehabilitation activities within the specific period.
23) Conviction of a criminal offense in connection with the rehabilitation work to be performed or associated with the payment of funds administered by the city’s American Rescue Plan Act staff.

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24) Collusion between the homeowner, contractor, subcontractor, or others involving an effort to fix a bid or involving kickbacks or an effort to defraud any party in violation of local, state, or federal law.
25) Unprofessional and/or unethical conduct or practices by the contactor, subcontractor or their employees.
26) Discrimination, racist or sexist statements, offering of bribes and/or kickbacks, or drugs/alcohol use on the job site.
27) Discrimination against or denial of employment to any person in the performance of any rehabilitation based on race, color, national origin, age, sex, handicap, belief, or political affiliation in violation of the Title V and VII of the Civil Rights Act and the Age Discrimination Employment Act. (29USC 794).

The City of Decatur's American Rescue Plan Act staff's goal is to work with qualified and reputable contractors and subcontractors. Rules are established to disqualify those entities (contractors, subcontractors, etc.) who do not meet the requirements and/or responsibilities to the homeowner or the American Rescue Plan Act Rehabilitation Programs through the City of Decatur.

When such violations or failures have occurred with a contractor or subcontractor the following may occur:

1) Temporary denial to bid on any projects.
2) Suspension.
3) Immediate exclusion from bidding projects based on evidence of wrongdoing.

The contractor will be notified prior to deletion from the list. He/she will have ten(10) days to appeal.

General Requirements

1) Contractor must not have current unpaid collections or open judgements with the City of Decatur.
2) It shall be the contractor's responsibility to provide or require similar insurance for each subcontractor.
3) The contractor must obtain all required construction permits prior to starting work and must arrange for any required code inspections during the rehabilitation. Copies of the final inspections (mechanical, plumbing, electrical and structural) must be provided to the American Rescue Plan Act project staff at the time of a progress or final pay request.
4) The contractor must be in good standing with other local, state and federal programs.
5) All workmanship must conform to the program's general specifications and all city codes and ordinances.
6) Contractor proposals are subject to rejection for noncompliance with any program requirements. Proposals varying by more than 10% from the American Rescue Plan Act Housing Rehabilitation Specialist's preliminary cost estimate may be subject to rejection.
7) The general contractor is ultimately responsible for the bid and its contents, which encompasses the entire project. This includes site familiarity, inspection and review of the write-up items, measurements, and quantities as well as those listed by all subcontractors within the bid document.
8) After mandatory walk-thru, bid proposals should be submitted to the City of Decatur's Economic & Community Development (Civic Center, 3rd floor) **on or before** the identified bid deadline. All bids should be signed and sealed in an envelope.

Contracting Procedures

The American Rescue Plan Act staff shall prepare, with the advice and consent of the city attorney, a set of provisions and general conditions for use in all rehabilitation contracts. A listing of the provisions to appear in the general conditions for such rehabilitation contract at a minimum shall include:

1) The initiation of any rehabilitation work covered by a contract is subject to the issuance of a Notice to Proceed signed by the contractor and the American Rescue Plan Act staff.
2) The contractor must satisfactorily complete the rehabilitation activities within a specified number of days after the issuance of a Notice to Proceed.
3) The contractor or subcontractors are responsible for obtaining all permits required to complete the work identified in the bid specification. All permits are required prior to the start of rehabilitation on the identified items. The Building Inspections Division should be contacted for related inspections on these items. The contractor or subcontractor may also schedule a consultation with the inspector (mechanical, plumbing, electrical, or structural) to determine what permits and inspections are required.

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4) The City of Decatur will **not** advance funds for materials or unperformed or incomplete items in the work write-up. However, the City of Decatur has partnered with Land of Lincoln Credit Union to provide access to capital for contractor's top purchase materials needed to perform rehabilitation projects, at an interest rate of 3.25% plus a 1% administration fee.
5) Progress payments are allowed for the completed work after inspection. The progress or final payments due the rehabilitation contractor will be paid after the American Rescue Plan Act staff receives the contractor’s invoice, inspection reports, and all required lien waivers. The homeowner **must** initial the items on a progress payment request and initial/sign the Final Inspection Report.
6) The general contractor shall be required to abide by all applicable federal, state and local regulations, including equal employment opportunity requirements and lead-based paint restrictions.

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7) The general contractor shall keep the premises reasonably clean and orderly during work and remove all debris at the completion of the work. Once materials or equipment have been removed and replaced as a part of the work activities specified, such items shall be the property of the general contractor.
8) The general contractor shall guarantee the work performed for a period not less than one year from the date of final acceptance of all activities specified in the city's work write-up. Furthermore, the contractor shall furnish to the recipient property owner all manufacturers and suppliers' written guarantees and warranties covering materials and equipment furnished under the rehabilitation contract.
9) For consideration of specified payment, the contractor proposes to furnish all materials and labor described in accordance with the work write-up, contract, and the general conditions specified earlier.

Bidding

On every rehabilitation job undertaken with American Rescue Plan Act funds, the following procedures will be adhered to for the *Invitation to Bid*:

1) On behalf of the property owner, two or more contractors from the lists of prequalified and qualified contractors will be invited to bid on the rehabilitation work to be performed.
2) Only sealed bids will be accepted by the Economic and Community Development Department (ECD), on behalf of American Rescue Plan Act, from all interested contractors. Sealed bids are to be delivered to the ECD Department (Civic Center, 3rd floor) on or before the identified bid deadline.
3) The contractor's bid must include line-item descriptions for both material and labor and include a total project cost.
4) Bid opening shall be held at the previously established appointed time, date, and location selection by the American Rescue Plan Act staff in the invitation to bid and shall be open to all interested parties.

Payment Schedule

Once construction has begun the contractor will receive payment according to one of the following schedules:

a) Schedule A – Full payment upon satisfactory completion of all work and submission of all subcontractor and contractor lien waivers.

b) Schedule B – Progress payments based upon the level of work completed. Lien waivers must be submitted for any subcontractor and/or contractor.

c) Schedule C (Contractor Loan Program) – The American Rescue Plan Act Program offers a Contractor Loan Program for those prequalified, qualified and lead certified contractors who may not have the funds on hand to cover the cost of materials for these American Rescue Plan Act program opportunities. If your bid proposal is accepted for a project, you will be able to apply for a low interest loan through Land of Lincoln Credit Union. This loan is for the amount of the bid plus a 1% administration fee. Upon approval of your loan, you will be eligible to draw only the cost of the materials up front. Upon completion of the project, receipt of passing permit inspections, and confirmation from both the American Rescue Plan Act Housing Rehabilitation Specialist and the property owner that the work was completed satisfactorily, a letter will be provided to allow the draw of the balance of the loan amount. You are not required to take the full amount of the loan.

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Example of Bid:

Address:_____

Bid	Labor	Materials
Water Heater	$_____	$_____
Replace Roof	$_____	$_____
Sub-Total	$_____	$_____
Total Project Cost	$_____	

The following regulations apply to all bid openings:

1) All submitted bids that are in excess of 15% of city's estimated rehabilitation cost may be disqualified.
2) The lowest responsive and responsible bid shall be accepted unless extenuating circumstances can be documented which justify action to the contrary.
3) The bidder selected shall be notified by the American Rescue Plan Act staff in writing within seven calendar days of the bid opening.
4) All bidding contractors shall be notified in writing by the American Rescue Plan Act Neighborhood Program Specialist of the outcome of the bid opening within 10 calendar days of the bid opening.