

**Gaston County**  
**Procurement and Disbursement Policy**  
**2018 ESSENTIAL SINGLE FAMILY REHABILITATION LOAN POOL**

**PROCUREMENT POLICY**

1. To the maximum extent practical, the County of Gaston (the County) promotes a fair, open and competitive procurement process as required under the North Carolina Housing Finance Agency's (NCHFA) Essential Single Family Rehabilitation Loan Pool (ESFRLP). Bids are invited from Contractors who are part of the County's approved contractor registry. Any current contractor listed with and approved by the County and in good standing (ie. no unresolved past performance issues and not listed on the federal or state debarred list) will receive automatic approval status on the contractor registry.
2. To be listed in the Approved Contractor Registry, a contractor must complete an application, have their recent work reviewed and approved by the County's Housing Rehab Manager or Rehabilitation Specialist and submit proof of insurance. All contractors working on pre-1978 units must be Renovate, Repair and Paint Rule (RR&P) Certified Renovators working for Certified Renovation firms; only those contractors with this certificate on file will be invited to bid on pre-1978 homes.
3. At least three eligible contractors on the County'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 20%, in either direction, of the County's cost estimate, (c) the contractor has not been suspended or debarred and (d) there is no conflict of interest (real or apparent).
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, including instructions for distribution and receipt of bids. Contractors will be given no less than five days in which to inspect the property and prepare bid proposals. Each contractor will need access to all parts of the house in order to prepare a bid. A bid opening will be conducted in the County Manager's Conference room located at 128 W. Main Ave. Gastonia, NC 28053 at a specified date and time, with all bidders invited to attend.
6. 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.
7. The County reserves the right to reject any or all bids at any time during the procurement process.

8. In the event of a true emergency situation, the County reserves the right to waive normal procurement procedures in favor of more expedient methods, which may include seeking telephone quotes, electronic bids and the like. Should such methods ever become necessary, the transaction will be fully documented. In the event phone bids are used, the County of Gaston will call the first three responsive contractors on the approved contractor list. The County will track who has been called and responsive, and will rotate through the full list before beginning the rotation again.
9. 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. Within 120 hours of the bid opening, after review of bid breakdowns and construction schedules, the winning bidders will be selected.– Gaston County will issue the intent to award to the bidding contractor and homeowner, pending final award after all internal County approvals are made. All bidders 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 County's cost estimate, and 4) the specific reasons for the selection, if other than the lowest bidder was selected.
10. The contractor is responsible for obtaining a building permit for the project before beginning work. 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. Gaston County ESFRLP staff will closely monitor the contractor during the construction period to make sure that the work is being done 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.
11. 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 including at minimum, the homeowner, the contractor and two representatives of the County. The change order must also detail any changes to the original contract price.
12. No work may begin prior to a contract being awarded and executed 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 or at the specified location by determined by Gaston County staff. At this time, the homeowner, contractor and ESFRLP Gaston County program representative(s) will discuss the details of the work to be completed. Starting and ending dates will be finalized, along with any special arrangements such as weekend or evening work hours and disposition of items to be removed from the home. Within 48 hours of the pre-construction conference, Gaston County will issue a "proceed order" formally instructing the contractor to commence work by the agreed-upon date.
13. The County of Gaston is an equal opportunity employer, implements non-discriminatory practices in its procurement/disbursement and will make special outreach efforts to include M/WBE (Minority/Women Business Enterprise) businesses within its contractor and subcontractor pool. Contractors will be chosen by the above criteria without regard to race, color, religion, national origin, sex, familial status and/or disability.

## **DISBURSEMENT POLICY**

1. All repair work must be inspected by (a) the County's Housing Rehab Manager or Rehabilitation Specialist, (b) the local building or minimum housing code inspector when applicable and (c) the homeowner prior to any final payments to contractors. 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 contractor. Contractor should allow 21 business days for processing of the invoice for payment.
2. The contractor is entitled to request two partial payments and a final payment, but only at the discretion of the Housing Rehab Manager or Rehabilitation Specialist. When a payment is requested, the Housing Rehab Manager or Rehabilitation Specialist will inspect the work within three days, determine percentage of job completion and calculate a payment. Project progress payments shall be based upon 90% of the contract price (from the contractors cost breakdown as approved by the County) of the work completed on each line item which is 100% complete.
3. Following construction, the contractor and Housing Rehab Manager or 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 materials to the homeowner and be available to answer homeowner questions.
4. Project Closeout: When the contractor declares the work complete, the Housing Rehab Manager and/or 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 County's Housing Rehab Manager and/or Rehabilitation Specialist, payment may be withheld until the work is deemed satisfactory. (Contractors may follow the County's Essential Single Family Rehabilitation Loan Pool Program Assistance Policy if a dispute occurs; however, contractors shall abide by the final decision as stated in the policy). Following construction, Gaston County's House Rehab Manager and/or Rehabilitation Specialist will sign off on the work and meet with the Homeowner to review all completed work and obtain final documents to be signed by the homeowner. After receipt of the contractor's final invoice, inspections, certificate of completion and lien releases signed by all contractors, sub-contractors and suppliers, the final payment will be ordered. All material and workmanship will be guaranteed by the contractor for a period of one-year from the date of completion of the work.
5. The County assures, through this policy, that adequate funds shall be available to pay the contractor for satisfactory work.
6. All contractors, sub-contractors and suppliers must sign a lien waiver prior to disbursement of funds.

The Procurement and Disbursement Policies are adopted this the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

**County of Gaston**

BY: \_\_\_\_\_

ATTEST: \_\_\_\_\_

**CONTRACTORS STATEMENT:**

I have read and understand the attached Procurement and Disbursement Policy.

BY: \_\_\_\_\_

COMPANY NAME: \_\_\_\_\_

WITNESS: \_\_\_\_\_