



**CITY OF PLANO  
HOUSING REHABILITATION PROGRAM  
CONTRACTOR PARTICIPATION REQUIREMENTS**

**BACKGROUND**

The City of Plano, Texas offers a Housing Rehabilitation Program, funded by the U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) Programs. The Housing Rehabilitation Program is administered by the Community Services Division, Planning Department, City of Plano, located at 1520 Avenue K, Ste 250, Plano, Texas. All contractors (Contractor) participating in this program are expected to comply with these policies and procedures. Non-compliance may result in suspension or permanent debarment from the program.

**FUNDING AND FUNDING AVAILABILITY**

In the event the HUD ceases to fund the CDBG or HOME programs during the construction process, the property owner (Owner), participating in and recipient of HUD funds for completion of qualified housing rehabilitation repairs, shall be responsible for direct payment to the Contractor for any unpaid Work completed under the Project.

The Contractor understands that the Owner and household must continuously meet all funding underwriting criteria established under the Program. Should the Owner or any member of the household lose his/her Program funding eligibility during the construction of the Project, the Owner shall be responsible for direct payment to the Contractor for all unpaid invoices and/or incomplete work.

**CONTRACTOR ELIGIBILITY**

To be eligible to participate in Projects funded with CDBG and HOME funds, a general Contractor must complete a Contractor application in its entirety and satisfy at a minimum the following requirements:

1. Must have been in business for at least six (6) years as a general Contractor in both new construction and rehabilitation and must submit a complete and acceptable Contractor's application with all required attachments, financial information and references as indicated on said form.
2. Must have the financial ability to perform a Project as evidenced by a letter of reference from a financial institution, copies of bank statements, balance sheets, cash flow statements and other financial information requested by the City.
3. Must provide evidence of ability to obtain necessary insurance coverage per the City's insurance requirements, this is to include certificate of liability insurance and the declaration page of each required insurance coverage.

4. Shall immediately notify the City of Plano of any change in insurance status.
5. Shall have and maintain a good credit record of a minimum credit report class of 3 or less out of the maximum 5 per Dunn and Bradstreet at all times during Program participation. ("5" being the highest risk level with "1" being the lowest.)
6. Shall complete a technical review/interview with Community Services staff.
7. Shall hold current all licenses and certifications mandated by industry, state and local standards and laws relative to the work required on awarded contracts.
8. Must not have a conflict of interest, as defined by City policies, with any City employee, officer or agent in the completion of any awarded contract.
9. Shall maintain in Good Standing, as defined by the housing rehabilitation program requirements, at all times.
10. Must not appear on HUD's excluded party list.
11. Be free from any civil or criminal lawsuit or judgment that would impede the company's or your ability as owner of the company to complete rehabilitation Work.
12. Contractors shall have a history of good customer services as evidenced by references from customers, suppliers and subcontractors.
13. Contractors having a bankruptcy less than five years from dismissal shall be disqualified from bidding and prohibited from program participation.

#### **ANNUAL RENEWAL REQUIREMENTS**

On an annual basis, Community Services staff will forward a renewal form for inclusion in the Vendor List. At renewal time and throughout participation in the Housing Rehabilitation Program, your company must remain in good standing status. Good standing status includes:

1. Maintaining the appropriate liability insurance requirements;
2. Having the financial capacity to start and complete Work;
3. Meeting the credit thresholds;
4. Being free from any civil or criminal lawsuit or judgment that would impede the company's or your ability as owner of the company to complete rehabilitation Work;

5. Having no warranty complaints from existing housing rehabilitation Owners that resulted in warranty dispute resolution involving usage of the Warranty Escrow, loss to the City, or that the City finds in default of their Contractor agreement
6. Not appearing on HUD's excluded party list.

Community Services will review all renewal documents and verify that you are not on the list of debarred Contractors maintained by the Department of Housing and Urban Development. In addition, we will: verify your insurance coverage; ensure that your corporate charter is in good standing with the State of Texas, conduct credit checks, verify all reference, and conduct a reasonable background check on the company and the owners.

Contractors must obtain all permits that are required to perform the Work. In addition, all Contractors and subcontractors must possess such licenses as are required by state and local authorities in order to perform such functions as are subject to licensing.

## **BID PROCESS**

### 1. City's Due Diligence Process

After Owners have met the City's eligibility and underwriting criteria and after all third party due diligence inspections have been completed by the City, City staff shall generate a scope of work and related work specifications. The City shall ensure that the cost to complete the work is reasonable. The work specification and cost estimate shall be forwarded to the property Owner. After the Owner has reviewed and approved the work specifications on the Project, they shall be given copies of the approved Work Descriptions and the pre-qualified Vendor List.

### 2. Selection of Contractor by the Owner

Owners select a Contractor from the City's pre-qualified Vendor List. No Contractor may bid if he/she is related to the Applicant by blood or marriage. Nor may a Contractor bid if he/she is under contract to complete three housing rehabilitation Projects at the same time.

The Owner will be responsible for contacting the Contractors of his/her choice on the list, scheduling walk-through inspections, obtaining bid results from the Contractor(s) and selecting a Contractor whose bid is no more and no less than 10% of the City's estimate.

The Rehabilitation Estimator will be present at the scheduled walk-through to answer any technical questions regarding the Work Descriptions. You are not permitted during the bid process to substitute different material or to offer homeowners different quality

or type material than has been specified in the Work Specifications. Material substitutions are only permitted with City approval when the material originally specified is out-of-stock, no longer in production, or has been recalled by the manufacturer.

These program requirements ensure consistency and accuracy in generating comparable bids, fairness to all past and future housing rehabilitation clients, keeping project costs reasonable and project quality consistent, and efficiency in completing the project timely.

After the walk-through, the Contractor will forward the bid to the Owner, who will evaluate the bids and select the Contractor of his/her choice.

### **SITE INVESTIGATION**

Prior to making a bid on any Project, the Contractor shall warrant and represent, that it fully examined the Property, the condition of the existing structure on the Property, all requirements of the Owner and all other matters including those stipulated in any Work Specifications and construction documents, and satisfied itself as to the general and local conditions which can affect the Work or its cost.

If during construction the Contractor discovering differing site conditions than those observed during the bid walk-through, the Contractor shall stop all Work and immediately notify the Rehabilitation Estimator. The Contractor shall promptly, and before the conditions are disturbed, give a written notice to the Rehabilitation Estimator of: (i) subsurface or latent physical conditions at the site which differ materially from those indicated in the Work Specifications; or (ii) unknown physical conditions at the site(s), of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inhering in Work of the character provided for in the construction contract. Any discrepancies and resolution thereof shall be the decision of the Community Services Manager or his/her designee.

### **CONTRACTS AND PRE-CONSTRUCTION APPOINTMENT**

After a Contractor has been selected, the City of Plano will schedule a pre-construction appointment with the Contractor and the Owner to execute the construction contract, and other related construction documents.

All parties to these documents shall receive copies of the agreements within three days of the appointment but no later than the day before the appointment.

The Owner and the Contractor are required to use the City's construction contract documents. No Project will commence without an executed construction contract and a Notice-to-Proceed. Contract documents will be signed in the Community Services office by the Owner, Contractor, and a representative of the Community Services staff.

Contractors will also be required to complete a “**Sub-contractor listing**” and other documents PRIOR to the commitment appointment contract signing. All Contractors are supplied with this form and must hand-deliver the completed form to the City’s Community Services office no later than 5:00 p.m. the day before a pre-construction appointment is scheduled. This will provide our office with a full and complete listing of all persons or entities that will render services or supply materials in connection with the Work. If a Contractor fails to submit the form before the pre-construction appointment, the pre-construction appointment will be cancelled until the form is received.

## **CONSTRUCTION**

Before Work starts on a Project, a copy of the permit from Building Inspection must be submitted to Community Services. If a copy of the permit is not received by the Housing Rehabilitation office by the time Work begins, as determined by the Notice-to-Proceed, the job will be stopped by the Rehabilitation Estimator until a copy of the permit is submitted.

The City of Plano Building Inspection Department will inspect all items on the Work Description for compliance and completion. A copy of the Work Description must be posted for Building Inspection at the Project site.

While Work is in progress, the Contractor must request that the Building Inspection Department make the required plumbing, electrical, mechanical, and final inspections. Other inspections will be performed by Housing Rehabilitation staff.

In some cases, electrical, plumbing, and HVAC work may not require a permit from Building Inspection. Even though a permit is not required, all such work must be completed by a licensed electrician, plumber, or HVAC (sub)/Contractor.

No deviations from the specifications will be allowed. For example: if the specifications state you must primer the exterior and then paint with semi-gloss and you do not primer before painting, the Housing Estimator will stop Work and decide the appropriate course of action. You may be required to re-do the Work, or you may be held financially responsible for your deviation. Failure to do the Work as specified may result in immediate suspension from the program.

Any changes to the scope of Work must be documented on a Housing Rehabilitation Change Order Form when dollars are involved, or if items are substituted.

The Owner, Contractor, and Housing Rehabilitation Estimator will sign this change order. **NO WORK OUTSIDE THE WORK DESCRIPTION WILL BEGIN BY A CONTRACTOR OR SUB-CONTRACTOR BEFORE A CHANGE ORDER IS PREPARED BY THE HOUSING REHABILITATION OFFICE AND ALL APPROPRIATE SIGNATURES ARE IN PLACE.**

The City has no responsibility to pay for work that has not been approved on a change order.

Contractors who want to work outside of normal business hours must obtain the Owner's permission.

One of the requirements of the program is that all sub-contractors must be paid by the Contractor. Any Contractor who fails to pay a sub-contractor will be suspended and removed from our Vendor List for up to three (3) years.

## **WARRANTY**

The City's warranty policy shall apply to all reconstruction, rehabilitation and emergency repairs.

All Work completed during the rehabilitation, including major structural components and mechanical systems of the home, are covered by a one (1) year warranty from the Completion of the Project. The Contractor warrants for one (1) year that all workmanship and materials provided to the Owner under the Project shall be new unless otherwise approved in advance by the City and that all Work will be of good quality, free from faults and defects, and in conformance with the Work Specifications, the other Contract Documents, and recognized industry standards.

The warranty shall provide that improvements, hardware, and fixtures whatever kind or nature installed or constructed on said property by the Contractor are of good quality and free from defects in workmanship or material or deficiencies subject to the warranty contained in this paragraph provided.

After the expiration of the one (1) year warranty noted above, all heating, air conditioning, water heater, appliances and other mechanical equipment replaced the rehabilitation shall be covered as specified by the manufacturers' warranty.

The warranties noted above are in addition to any rights or warranties expressed or implied by law and in addition to any consumer protection claims arising from misrepresentations by the Contractor. Where a longer warranty than that stated above is specified for individual products, work, or materials, the longer warranty shall govern.

The Owner is responsible for approving and accepting the Contractor's work. The City accepts no liability for the Project. Any warranty of work performed is between the Contractor and the Owner.

**Warranty Escrow after Project Completion:** The Contractor shall agree that the City shall hold a Warranty Escrow of 10% for Rehabilitation Projects and 5% for

Reconstruction Projects of the compensation amount due the Contractor in escrow for a period of 12 months commencing the date of the execution of the Owner Work Acceptance (OWA) form. The Warranty Escrow shall be utilized as indicated in the Warranty Disputes section of this document.

Contractor further acknowledges and agrees that full compensation for the Project shall include any and all remaining escrow balances, which will be paid by City no more than fourteen (14) days after the expiration of the Warranty Escrow period.

Contractor agrees that that funds held in escrow will be paid according to the following schedule:

1. Thirty Calendar Days after execution of OWA

Thirty calendar days after execution of the Owner Work Acceptance (OWA) City will pay Contractor 2% (1% of the Reconstruction Projects) of the total Project Construction Cost held in escrow, **IF** Contractor has properly forwarded, completed and executed all close-out documents, lien waivers, invoices, draw request, Davis Bacon, and Section 3 documentation. **Should Contractor fail to meet the (30) day timeline, City will roll the 2% (1% for Reconstruction Projects) due to the end of the twelve (12) month Warranty Escrow Period.**

2. Six Months after execution of OWA

Six months after execution of the Owner Work Acceptance (OWA) City will pay contractor 5% (2% for Reconstruction Projects) of the total Project Construction Cost held in escrow, **IF** City has not received any warranty complaints from the Owner and there are no unresolved, pending, or ongoing warranty disputes resolutions. **Should Contractor have any ongoing, unresolved or pending dispute resolutions, City will roll the 5% (2% for Reconstruction Projects) due to the end of the twelve (12) month Warranty Escrow Period.**

3. Twelve Months after execution OWA

Twelve months after execution of the Owner Worker Acceptance (OWA) City will pay the Contractor 3% (2% for Reconstruction Projects) of the total project Construction Cost held in escrow or the remaining balance, **IF** City has not received any warranty complaints from the Owner and there are no unresolved, pending, or ongoing warranty disputes resolutions.

**Timeframe:** At the completion of a Project, the Contractor shall forward the original warranty documents to the Owner and a copy to the Rehabilitation Estimator. **NO FINAL PAYMENT WILL BE ISSUED UNTIL ALL WARRANTY PAPERWORK HAS BEEN FORWARDED TO THE OWNER AND THE REHABILITATION ESTIMATOR.**

**Warranty List:** It is the Contractor's responsibility to provide the Owner a list of items with their related warranty specifications that exceed the one-year period. Said list will be forwarded to the Owner on the date the Owner executes the Owner Work Acceptance form.

**Defective Work Discovered During Warranty Period:** If any of the work completed during the rehabilitation is found or determined to be either defective or otherwise not in accordance with the work specifications within the warranty periods, the Owner will send a notice of defects and request for warranty work to the Contractor. The request should provide a reasonable detailed description of each issue in need of repair. Upon notification from the Owner to the Contractor that there is a defect in Work completed, the Contractor shall immediately make such repairs in order to remove the defect but in no event later than 20 (twenty) Calendar Days from said notification. In the event of emergency related defective Work, the Contractor shall make reasonable efforts to respond within twenty-four (24) hours of said notification, and cure said defect, if appropriate or practicable, within seventy-two (72) hours of said notification.

**Warranty Dispute:** In the event of a warranty dispute, the Owner or Contractor may submit a grievance with the City for the following reasons:

1. Communication breakdown between the Owner and the City, or the Owner and the Contractor; or
2. Alleged failure of the Contractor to honor the one-year warranty.

Contractual issues unrelated to the Program may not be brought before the City. For example: specifications outside those Work Specifications that have been approved and agreed to by both the Owner and the Contractor and have entered into contractually may not be brought before the City Staff.

If there is a dispute between the Owner and the Contractor regarding a defect in the Work that cannot be resolved by the parties, either party may contact City to resolve the disputed matter.

Upon notification, City will schedule a warranty dispute inspection between the Contractor and Owner to determine if the disputed matter is subject to the agreed upon Work Specifications. Both Contractor and Owner agree to attend all warranty dispute inspections.

Upon completion of all warranty dispute inspections, City will forward to the parties an itemized list of approved warranty items for repair. Should Contractor fail or refuse to repair the disputed items City shall utilize any remaining Warranty Escrow funds to repair the approved disputed items. Owner must select a contractor appearing on the City's Vendor's List to repair all approved disputed items.

If neither the Owner nor Contractor is able to agree to the itemized list or if the repairs exceed the available funds in Warranty Escrow, the parties may resolve all ongoing disputes in a Court of competent jurisdiction according to the laws of the State of Texas.

**Owner and Contractor acknowledge and agree they are responsible for obtaining and reviewing the most current Housing Rehabilitation Guidelines prior to filing for and requesting a dispute resolution.**

**Contractor and Owner further acknowledge and agree that if Warranty Escrow funds are used as part of a warranty dispute resolution, the use of said funds shall not prevent the Owner from presenting subsequent warranty request or render any provision of their Construction Contract void, voidable, or unenforceable.**

Contractors who fail to honor warranty work shall permanently be barred from participating in the housing rehabilitation program. If appropriate, the City may pursue other legal remedies available under Texas law.

## **PAYMENTS**

Contractors will be limited to a total of five draws per job. Ten Percent (10%) of the contract price will be retained through the 4<sup>th</sup> draw to be used as Warranty Escrow and as outlined above.

When the Project is complete, and the Rehabilitation Estimator, Owner, Contractor and Community Development Coordinator have all inspected the home and approved in writing, the Contractor may submit the final draw for payment.

When submitting an invoice to our office for payment, the invoice must have a description of the items that have been completed. The invoice should include the following information: Owner's name and address, Housing Rehabilitation Project number, the work description items that have been fully completed, and the amount of draw for that particular invoice. **You will only be paid for items that have been fully completed.**

The draw request must be signed by the Contractor, Owner, and the Housing Rehabilitation Estimator, prior to submission to our offices for payment. The only person who may sign and submit invoices will be the Contractor or officer of the corporation whose been given authority to request payment. When Contractor requests a draw, any line items included should have passed inspection by Building Inspection prior to the draw request.

## **PROCEDURE WHEN REQUESTING PAYMENT**

In order to give the Housing Rehabilitation Estimator adequate time to review the list of items completed, check inspections and contract percents, etc. you are required to present a copy of your invoice with a completed Draw Request to the Rehabilitation Estimator no later than noon on Wednesday. The Rehabilitation Estimator will review the invoice the next business day (Thursday) for compliance with policy and to check that items being invoiced are completed and have passed Building Inspection. If discrepancies are found, the Rehabilitation Estimator will communicate the discrepancies by e-mail. Corrected original invoices with the Owner and Contractor signatures shall be forwarded to the Rehabilitation Estimator for his/her signature and approval no later than 3:00 PM Thursday.

City will inspect the property on Friday for payment approval. If the City finds the items completed satisfactorily, the City will mail the check the following Friday. If only a part of the items requested for payment are completed, the Contractor shall submit a revised invoice to include only those items that passed the City's inspection.

For any original invoices received after the Thursday deadline, the Contractor risks non-payment for a two-week period. The goal of the City is to have Contractors' checks mailed the following Friday after a request for payment is submitted. Complete payment requests received after the Thursday deadline will be paid on the third Friday after the missed Thursday deadline.

Before invoicing for the final draw, the Contractor shall ensure that:

1. The Owner's punch list has been completed and the work thereof approved by the Owner and the Housing Estimator;
2. The final building inspections are completed by the Building Inspection Department; and
3. The items below are completed and forwarded to the Rehabilitation Estimator:
  - a. Building permit "finals" from the Building Inspection Department;
  - b. Copies—for the City's Project file—of all manufacturers' warranties for materials and parts used on Project, including, but not limited to, appliances, roofs, foundation repairs, and HVAC that have been forwarded to the Owner;
  - c. Executed copy of lien waivers and Section 3 documents (as appropriate);
  - d. Executed copy of the Final Owner's Acceptance;
  - e. Final invoice, draw request and completed Lien Waivers from all subcontractors involved in the Project; and
  - f. Section 3 documents.

After the completion of items 1 through 3a-f immediately above, the Rehabilitation Estimator will complete a "Final Inspection Report" and calculate the Incentive Pay and Liquidated Damages and submit the final draw and invoice to the Community Services Supervisor for property inspection and final payment approval.

## **CONTRACTOR OBLIGATIONS DURING CONSTRUCTION**

### 1. Payment of Construction Related Items

Unless otherwise specified in the construction contract, the Contractor shall provide and pay for all materials, labor, tools, equipment, water, light, heat and power, transportation, superintendence, temporary construction of every nature, taxes legally payable because of contract work, and all other services and facilities of every nature whatsoever necessary to perform the Work Specifications and deliver the Project complete in every respect within the specified time.

### 2. Signatory

The Contractor may authorize his superintendent or other individuals to sign for him and his name if the Contractor has filed with the Owner and the City a notarized statement evidencing such authorization and authenticating the signature to be so honored.

### 3. Project Management and Verification of Data and Calculations

The Contractor shall supervise the Work, and shall have a competent superintendent/project manager on the Work at all times with full authority to act for the Contractor. The Contractor shall also provide a staff adequate to coordinate and expedite his/her Work and that of his/her Subcontractors to ensure compliance with construction contract requirements. The Contractor shall lay out the Work and be responsible for all lines, levels, and measurements of all Work executed under the construction contract. He/she shall verify the figures before laying out the Work and will be held responsible for any error resulting from his failure to do so.

### 4. Protection of Property

The Contractor shall take proper means to protect the owner's property, and adjacent or adjoining property, or any properties in any way encountered, which might be injured or seriously affected by any process to be undertaken under the construction contract, from any damage or injury by reason of said process; and the Contractor shall be liable for any and all claims for such damage on account of its failure to fully protect such property.

### 5. Clean Work Area.

The Contractor shall at all times keep the work area, including storage areas, free from accumulations of waste materials. After completing the Work and before Final Inspection, the Contractor shall:

- a. Remove from the premises all scaffolding, equipment, tools, and materials (including rejected materials) that are not the property of the Owner and all rubbish caused by its work;
- b. Leave the work area in a clean, neat, and orderly condition satisfactory to the Rehabilitation Estimator or Manager;
- c. Perform all specified tests; and
- d. Deliver the installation in complete and operating condition.

The Contractor shall confine all operations (including storage of materials) on Owner's premises to areas authorized or approved by the City and Rehabilitation Estimator.

## 6. Health, Safety and Accident Prevention

In fulfilling his/her obligations during the construction, the Contractor shall:

- a. Ensure that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his/her health and/or safety;
- b. Protect the lives, health, and safety of other persons;
- c. Prevent damage to property, materials, supplies, and equipment; and,
- d. Avoid work interruptions. For these purposes, the Contractor shall:
  - Provide appropriate safety barricades, signs, and signal lights;
  - As appropriate, furnish, install, and maintain ample sanitary facilities for the workers. These facilities shall be sufficient to meet the Project needs and be located to the satisfaction of the Manager. All such facilities and services shall be furnished in strict accordance with governing health regulations; and,
  - Include the terms of this clause in every subcontractor that such terms will be binding on each Subcontractor.

## **INCENTIVE PAY AND LIQUIDATED DAMAGES**

The City will pay a Contractor *Incentive Pay* for completing jobs before the contract time has expired. All City inspections must be complete and accepted as final, along with all final acceptances signed, and required paperwork submitted before a Project will be determined to be complete. When a job is finished before the contract completion date, The City will pay the Contractor \$50.00 each day the job is completed early, with the Incentive Pay total not to exceed \$500.00 per Project.

When a Contractor is in default of the contract completion time, \$100 shall be retained as *Liquidated Damages* for each day in which the job is not complete. It should be made clear that if the Project is completed, and the Owner accepts the Work as final, the City will collect the Liquidated Damages and the Owner is responsible for reimbursement (reimbursement being in the form of a forgivable or re-payable loan) of the entire contract costs. Any liquidated damages will not change the loan amount for which the Owner is responsible.

Incentive Pay and Liquidated Damages are applicable to single-family rehabilitation, but may be applied to multi-family rehabilitation.

### **CONTRACTOR DEFAULT**

In the case where a Contractor has been terminated from a job or has quit the job, the City may deduct from the Contractor's final pay the amount required to complete the Project per the contract Work Description or a revised Work Description, and any fees stipulated in the construction contract. Contractors may be charged for any additional costs above the contract amount, which are necessary to complete the job.

### **SUSPENSIONS AND/OR DEBARMENTS**

Contractors may be suspended for up to 5 years or debarred permanently from the program. Reasons for either suspension or debarment are determined on a review of documents and information on file, statements of fact from parties to the contract, witness statements, and on a case-by-case basis. The Suspension Review Board will hear any appeal of a suspension or debarment, and their decision shall be final. The Suspension Review Board is composed of the Purchasing Manager, the Director of Finance, and the Director of Budget and Research.

The causes for which a Contractor may be suspended or debarred permanently are as follows:

1. Failure to complete a job during any 12-month period;
2. Failure to pay sub-contractors;
3. Failure to make a reasonable effort to honor warranties;
4. Consistent failure to complete Work within the time allotted by the contract;
5. Consistently poor workmanship;
6. Excessive customer complaints due to failure to return calls, complete warranty repairs as specified in the Construction Contract, utilize poor quality material,

complete work in an unprofessional workmanship manner and manage subcontractors;

7. Excessive submissions of poorly completed documents and forms during the Project construction period causing delays and additional costs to City Program administration.
8. Failure to renew insurance while under contract;
9. Consistent failure to comply with Housing Rehabilitation Program policies;
10. Possession or use of illegal or controlled drugs and/or alcohol on the job by the Contractor, Contractor's employees, or any subcontractors;
11. Falsifying any information provided on or with the Contractor Application;
12. Contractor default on a construction contract;
13. Contractor failure to maintain a Good Standing status at all times as defined in the Housing Rehabilitation Program Policies;
14. Contractor's failure to provide the necessary qualification documents as provided in the Vendor Management System;
15. Criminal activity;
16. Contractors involved in any dispute resolution that results in usage of the Warranty Escrow, loss to the City, or that the City finds in default of their Contractor agreement shall be permanently barred from participating in the housing rehabilitation program, and, if appropriate, may be subject to legal action by the City.

### **RECORD RETENTION**

The Contractor and his/her Subcontractors shall keep records pertaining to any Project for five (5) years after all final payments have been made and all pending matters are closed.

### **EQUAL CONTRACTING OPPORTUNITIES**

It is the policy of the Community Services Division of the City of Plano's Planning Department (City) to require its Contractors to provide equal employment opportunity to all employees and applicants for employment without regard to race, color, religion, sex, national origin, disability, veteran's or marital status, or economic status and to take

affirmative action to ensure that both job applicants and existing employees are given fair and equal treatment.

### **SECTION 3: ECONOMIC OPPORTUNITIES FOR LOW-INCOME FAMILIES**

Contractors shall to the greatest extent feasible provide economic opportunities in the form of employment and/or training to qualified low- and very low-income persons residing in public housing developments, utilizing Housing Choice Vouchers or other low- and very low-income eligible persons residing in the City of Plano. The policy shall result in a reasonable level of success in the recruitment, employment, and utilization of low- and very-low income residents and other eligible persons and business by Contractors working on contracts partially or wholly funded with the United States Department of Housing and Urban Development (HUD) monies. The City shall examine and consider a Contractor's potential for success by providing employment and business opportunities to low- and very-low income eligible persons prior to acting on any eligible proposed contract award.

### **DAVIS-BACON RELATED ACTS**

This provision shall apply for CDBG Projects with eight or more units or HOME Projects with 12 or more units, AND expenditures in excess of \$2,000. All laborers and mechanics employed by Contractors and subcontractors in the performance of construction Work financed in whole or in part with CDBG or HOME assistance shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor. **HUD Form 4010** shall apply and become part of the construction contract when the contract and Project meet the above referenced parameters. The Contractor shall consult with the City on completion and delivery of all Davis-Bacon Act related forms and requirements.

### **PROHIBITION OF KICKBACKS**

The Contractor nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm, or person to submit a collusive or sham Bid in connection with the Contractor for which a Bid has been submitted or to refrain from bidding in connection with such construction contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix any overhead, profit, or cost element of the Bid price or the Bid price of any other Bidder, or to secure through any collusion, conspiracy, connivance, or unlawful agreement, any advantage against the City of Plano, Texas in the Counties of Collin and Denton or any person interested in the proposed construction contract; and

The price or contract amount quoted are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or

any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

**POLICY WAIVERS**

Waivers of any provisions of this policy may be approved by the Community Services Manager for good cause, and shall be documented in writing. Policy waivers will not be considered or granted for requests that violate any HUD regulations or other federal, state and local laws.

**CONTRACTOR PARTICIPATION AGREEMENT**

Prior to being placed on the pre-approved Contractor list, you will be required to execute a Contractor Participation Agreement, which will include the policies outlined in this document.

**AFFIDAVIT**

I, \_\_\_\_\_, Company Owner/ Legal Representative, acknowledge receipt of the Housing Rehabilitation Program Contractor Participation Requirements. Said requirements shall be made part of all construction contracts, Housing Rehabilitation Applications, Bid Packages, and Contractor Participation Agreements. Failure to abide by the provisions of said requirements shall constitute a default on any existing construction contracts and Contractor Participation Agreements funded by CDBG or HOME funds.

Company Name: \_\_\_\_\_

\_\_\_\_\_  
Company Owner or Legal Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Office Telephone

\_\_\_\_\_  
Address

\_\_\_\_\_  
Fax

\_\_\_\_\_  
City, State Zip Code

\_\_\_\_\_  
E-Mail Address

THE STATE OF TEXAS §  
  §  
COUNTY OF COLLIN §

ACKNOWLEDGMENT

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_,  
2010, by \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of Texas