

CDBG-DR HOUSING RECOVERY PROGRAMS CONTRACTOR GENERAL CONDITIONS TO THE SCOPE OF WORK

In addition to construction documents, the following terms and conditions shall become part of the project scope of work.

1. The contractor shall be provided with a Lead-Based Paint Inspection and Risk Assessment Report that was procured by the State for all homes built prior to 1978. The contractor shall read the report and incorporate proper Lead Safe Work Practices as required to perform the project scope as detailed in the construction documents. It shall be the contractor's responsibility to perform all work on or around lead paint containing surfaces following federal and state guidelines. All contractors working on projects shown to contain lead-based paint shall, at a minimum, be Renovation Repair & Painting (RRP) certified as required by New Jersey State Guidelines.
 - a. The Contractor shall incorporate the abatement of any Lead Hazards that were identified in the report in any part of the building, including outside of the work area described in the construction documents, into their Scope of Work and contract. All abatement shall be performed by properly certified lead abatement contractors.
 - b. The contractor shall abate any lead paint within the work area described in the construction documents whether intact or identified as a hazard. The abatement shall be incorporated into their Scope of Work and contract. All abatement shall be performed by properly certified lead abatement contractors.
 - c. If Lead Paint Hazards are present, the contractor shall have the abatement work completed prior to the commencement of any other construction activities and have a certified inspection firm perform an interim clearance of the abated areas. The abatement and the interim clearance shall be clearly documented in the Construction Schedule, and Schedule of Values as construction and payment milestones.
 - d. Once the project is complete, the contractor shall notify the Program Construction Manager (CM) and **the Program shall procure and schedule a final lead clearance of the entire structure**. The project must be deemed lead safe. If the project doesn't pass the final clearance, the contractor shall take necessary remedial measures and have the property tested again until it passes. The contractor will be required to have a final clearance on any project where lead paint was detected, regardless of the project's scope of work, to verify that the construction activities did not create unsafe lead conditions. The contractor shall fully cooperate with the Program's efforts to have the final clearance performed and be responsible to remedy any deficiencies or findings inhibiting the passing of the final clearance.
2. For elevation projects, the construction contractor shall perform an Existing Conditions Inspection and provide an Existing Conditions Report. The inspection shall take place prior to the commencement of any construction and immediately following the issuance of the Notice to Proceed (NTP). The inspection shall take place with both the homeowner and the Department of Community Affairs (DCA) Construction Manager (CM) present. The contractor shall document the findings from the inspection into a report as follows.

- a. Existing Conditions Report: Prior to the commencement of any work, the contractor shall review the house with the DCA CM and homeowner, and then provide an Existing Conditions Report that documents the condition of all structural elements and finishes. At a minimum the report shall contain:
 - i. Levelness of all floors – identify any floors that are out of level prior to construction.
 - ii. Condition of base trim to floor joints.
 - iii. Condition of all interior and exterior doors and trim – identify any abnormalities in their operation and plumbness.
 - iv. Condition of all windows – verify operation of window and plumbness of frames.
 - v. Condition of all door and window trim, existing crown molding, chair rails or other millwork.
 - vi. Condition of all kitchen cabinetry and bathroom vanities – identify any inoperable doors, or drawers, and squareness of frame.
 - vii. Condition of all floor finishes, particularly grouted tile and hardwood flooring – identify existing cracks or irregularities.
 - viii. Condition of exterior siding, J-channels, and trim including gutters and leaders - identify any loose, uneven, or damaged components on the exterior surface.
 - ix. Condition of driveway, patios, and walks adjacent to or in close proximity to the work zone, including potential construction access points. Identify uneven or disturbed pavement surfaces, cracks in concrete walkways, or other existing hardscaping defects.
 - x. Condition of landscaping and lawn.
 - xi. Condition of any fencing adjacent to the house, or likely to be affected by the elevation project.
 - xii. Condition of existing utility connection points, meters, and existing HVAC equipment affected by the elevation project.
 - xiii. Identify any other irregular conditions that exist prior to the start of construction.
- b. This report shall contain photographs and video of the existing structure, with emphasis on any existing conditions that could be misconstrued as being caused by the elevation project after the fact.
- c. In addition, the report shall contain measurements to document the amount that any element is damaged, un-level, out of plumb, uneven, or otherwise not true and square.
- d. The report shall serve as a baseline for determining which elements will require repair or patching after the elevation project is complete.
- e. The expectation is that the home will be returned to its pre-elevation condition to the degree that is allowed by the building code. Any existing conditions that must be addressed for building code compliance for the obtainment of a Certificate of Occupancy shall be identified and incorporated into the Scope of Work for the project during the design phase.
- f. Electronic copies of the report shall be delivered to the Construction Manager in PDF format, and any video content shall be viewable using Windows compatible applications or web-based browsers such as Microsoft Edge or Google Chrome.

3. The contractor shall include all costs associated with the project Scope of Work in their proposal, and the costs shall be provided on the Schedule of Values & Payment Request Form, Exhibit A (page 2) of the Homeowner and Contractor Construction Agreement.
 - a. The entire project cost shall be broken down into work descriptions that reflect the general progress of the work as it progresses from mobilization through the final inspection by the program. Note that there is no maximum number of required line-item descriptions. The line-item descriptions shall then be further aggregated into payment milestones.
 - b. When determining the payment milestones and the work descriptions with their associated values for which you intend to request payment keep the following guidelines in mind:
 - i. The construction duration for the project shall be indicated by the contractor as part of his proposal.
 - ii. The contractor must register in NJ Start to be paid directly by the Program on the owner's behalf. This process from the time of invoice approval to issuance may take up to 4 weeks.
 - iii. The billing cycle is monthly.
 - iv. The CM will only process one (1) payment request during the billing cycle.
 - c. To minimize review time, the payment milestones should aggregate construction line-item values in a logical way that the CM can readily match with the construction progress and level of completion. There should be a minimum of two (2) payment milestones that align with tangible progress measures, such as building department inspections and approvals for example.
 - d. Payment milestones should be priced to coincide with the level of cost and effort required to achieve the milestone. The Program will review the proposed Schedule of Values for front loading.
 - e. The final payment shall be released upon successful construction closeout of the project by the Program, including but not limited to, closing appropriate municipal permits, satisfying any punch list or remedial work, and providing all required warranty documentation, lien releases and manuals to the program.
 - f. Payment milestones are subject to review and approval by the Program Construction Management team prior to contract acceptance.
4. The contractor should prepare a tentative Construction Schedule outlining the intended construction start date and completion date. The schedule shall include payment milestones and anticipate construction meetings on site between the contractor and the Program Construction Manager. At a minimum the planned meetings shall correspond with the completion of payment milestones and municipal inspections.
 - a. The contractor shall plan to meet with the Construction Manager no less than 2 times per month, and more if needed based on anticipated milestone completions and the project scope.
 - b. In addition to the scheduled meetings the Construction Manager may visit the site as they see fit to check on progress.

- c. The contractor should be aware that homeowners may want to visit the site and that the visit should be pre-scheduled through the Construction Manager. To the greatest extent possible we will try to coordinate homeowner site visits with pre-scheduled meeting dates. This however does not preclude the CM scheduling a different date for a homeowner site visit.
- 5. Section 3: The contractor should be aware that the federal funding for this project includes the requirement to comply with HUD Section 3 regulations when a project is funded by \$200,000.00 or more in grant funds. For projects with grant funding of \$200,000.00 (Two Hundred Thousand Dollars) or more, parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, which implement Section 3. When Section 3 applies, contractors are required to make and report best efforts to incorporate section 3 workers and business concerns into the project.