

HOMEOWNER GUIDANCE ON OBTAINING A QUOTE

As the Homeowner you will be executing the contract with the Construction Contractor (Contractor). The Program will be acting as your representative during construction to monitor construction progress. In order to facilitate the Contractor selection and vetting process we've provided the following outline for you to follow when engaging with Contractors to solicit quotes. It is recommended you seek three quotes to facilitate competitive pricing since the Program award is based on paying only for eligible cost reasonable scope. The Program will review all proposed quotes and reserves the right to reject any quotes it deems is unreasonably priced or those which have scope that do not align with the Program's requirements.

When seeking quotes, you should provide each Contractor with digital (PDF) copies of all documents in this packet. Hard copies of these documents are not available from the Program.

Provided Documents:

- Construction Documents
- General Conditions to the Scope of Work (goes to the Contractor)
- Tip Sheet on Fraud
- Construction Contract Agreement Lead-Based Paint Inspection and Risk Assessment Report (only homes constructed before 1978)
- Tier 2 Environmental Assessment Report

The Contractor should review the documents and schedule a visit to the property. During the visit they should review the conditions on site alongside the drawings and note any potential issues that impact the Scope of Work.

The Contractor should provide a cost proposal by completing the Schedule of Values (Exhibit A) contained in the Construction Contract Agreement. The Contractor should also include a proposed start date no less than 60 days from the quote date and a completion schedule to allow time for contract review and approval.

When you receive the proposal from the Contractor, you should review it for completeness prior to returning it to the Program for review.

- It should contain the Builder Agreement with the Contractor's signature and date. As the Homeowner, you DO NOT SIGN AT THIS TIME.
- The completed Exhibit A (Schedule of Values)
- Contractor's Completion Schedule
- A copy of the Contractor's New Jersey Contractor's registration number for the Scope of Work.
- A copy of the Contractor's lead abatement licenses and Department of Environmental Protection Renovation Repair & Painting (RRP) certifications, as applicable.

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Ida Recovery Programs

You SHOULD NOT sign the agreement until it has been reviewed by the Program and it has been deemed acceptable by the Program. The Contractor's signature on the agreement is to indicate their acceptance of all of the terms and conditions as spelled out in the agreement and confirmation that their price includes the entire Scope of Work of the project.

When you receive your quotes, you should review them and determine which Contractor you feel most comfortable with, given price and other factors. You should provide your first choice to the Program for review.

You should provide the entire proposal package to the Program, who will review it for program acceptance. If there are questions the Program may reach out directly to the Contractor for clarification.

- If the package is acceptable, the Program will schedule a grant signing at which point you will countersign the Construction Contract Agreement when signing the grant agreement.
- If the package is not acceptable and the submitted quote was the lowest cost option among multiple bids, the Program may request you enter into negotiations with the builder, or request you obtain additional quotes.

The major concern for the program is cost reasonableness. Other possible causes of program rejection of a proposal are:

- Invalid or expired Contractor registrations.
- Missing Lead Abatement Certifications and or RRP Certifications.
- Contractor taking exception to aspects of the project Scope of Work or terms and conditions of the Construction Contract Agreement.

To maximize the chance that your preferred Contractor selection is accepted by the Program, you should carefully review whether the Contractor's proposal is complete and cost conscious.

CONSTRUCTION CONTRACT AGREEMENT CONTENTS

Article I	Definitions of terms: Defines the terms used in the agreement.												
Article II	Performance and Disbursements: Describes the project Scope of Work and the method and terms for construction payments to the Contractor.												
Article III	Homeowner's Obligations: Expresses the roles and responsibilities of the Homeowner and clarifies the relationship between the Homeowner, Program Construction Manager, and the Contractor. The Program CM will play the key role of owner's representative during construction and is empowered to make decisions on the Homeowner's behalf regarding the construction and payments to the Contractor.												
Article IV	Construction Contractor's Obligations: Describes the roles and responsibilities of the construction Contractor as well as insurance requirements.												
Article V	Program's Limited Obligations: Details the Program's obligations and limitations within the contract.												
Article VI	Default and Remedies: Explains what constitutes a default under the contract for both the Contractor and Homeowner. It also details remedies available to cure defaults.												
Article VII	Miscellaneous Provisions: Explains where notices should be sent, contingency funding, and other general terms and conditions.												
Homeowner Signature	To be signed and dated ONLY AFTER AUTHORIZED to do so by the Program representative.												
Construction Contractor Signature	To be signed and dated by the Contractor when the proposal is submitted.												
Exhibits	<p>Various documents that will be used during the performance of the contract and made available in the contract for review by the contracting parties. Not all exhibits will be executed on all contracts, but the main exhibits that are going to be used throughout the project are:</p> <table><tr><td>Exhibit A:</td><td>Schedule of Values & Construction Contractor Request for Payment</td></tr><tr><td>Exhibit B:</td><td>Retainage Release Form</td></tr><tr><td>Exhibit C:</td><td>Final Bills Paid by Subcontractor</td></tr><tr><td>Exhibit D:</td><td>Final Bills Paid Affidavit by Construction Contractor</td></tr><tr><td>Exhibit E:</td><td>Construction Notice to Proceed</td></tr><tr><td>Exhibit F:</td><td>Partial Waiver (Release) of Lien</td></tr></table>	Exhibit A:	Schedule of Values & Construction Contractor Request for Payment	Exhibit B:	Retainage Release Form	Exhibit C:	Final Bills Paid by Subcontractor	Exhibit D:	Final Bills Paid Affidavit by Construction Contractor	Exhibit E:	Construction Notice to Proceed	Exhibit F:	Partial Waiver (Release) of Lien
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