

Questions?
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District Commission**

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Selecting and Qualifying Contractors

The first step in the rehabilitation contracting process is identifying and recruiting good contractors. Begin by determining what qualifications are expected. Remember, your program will only be as good as the contractors who actually do the work.

✿ **Good contractors will make a good program, and a good program will attract good contractors. Conversely, by utilizing poor contractors you will deter good contractors and families from participating, as well as creating headaches for yourself.**

Any contractor doing work on a housing rehabilitation project funded with CDBG monies must be licensed pursuant to the regulations of the Board of Contractors. All licenses must have a classification

and a category. The appropriate classifications and categories acceptable for rehabilitation work are outlined below.

Classifications

All contractors must be licensed by the Virginia Department of Professional and Occupational Regulation (DPOR) as a Class A, Class B, or Class C contractor. The following defines the limits of each classification:

- Class A - value of a single contract or project is \$120,000 or more, or the total value of all work undertaken within any 12 month period is \$750,000 or more.
- Class B - value of a single contract or project is \$10,000 or more but less than \$120,000, or the total value of all work performed within any 12 month period is \$150,000 or more but less than \$750,000.
- Class C - value of a single contract or project is over \$1,000 but no more than \$10,000, or the total value of all work performed within any 12 month period is no more than \$150,000.

✿ **To find out if a contractor has a DPOR license, call 804-367-8511 or go to www.dpor.virginia.gov and click on "License Lookup." Grantees should also be aware that the thresholds are subject to change by DPOR. Therefore it is prudent to periodically check the current thresholds with DPOR.**

Designations

In addition to having a license classification of A, B, or C, each contractor must also have a license designation. General contractors doing rehabilitation work must be designated as either a "Building Contractor [BLD]" or a "Specialty Contractor [SVC]". If a contractor has SVC designation, then he/she must have the specialty service of HIC (Home Improvement Contracting) following the SVC designation i.e., SVC-HIC.

For any electrical work, plumbing work or heating, ventilation and air conditioning (HVAC) work to be done on a house being rehabilitated with CDBG monies, the following applies:

- If the respective work e.g., electrical, is \$1,000 or more, the work must be carried out by a contractor licensed to do that specific kind of work (have the ELE designation on his or her license);
- If the respective work is less than \$1,000, and the Grantee participates in the Tradesman Certification Program, the work must be performed by a person who has a Masters Certification in that respective trade; and
- Any digging of wells for potable water service can only be carried out by a contractor licensed as a "Water Well Contractor (WWC)" regardless of the cost to dig the well.

Some contractors may have multiple designations on their license such as

Building (BLD), Electrical (ELE), Plumbing (PLB), and/or HVAC. If a General Contractor has such multiple classifications, retention of a licensed subcontractor in a related field is not necessary.

Lead Training and Certification

Each contractor, subcontractor and worker must have successfully completed a HUD-approved Renovate, Repair and Paint training course relative to the rehabilitation of housing constructed prior to 1978. This course should be offered at least annually by various localities. The Program Administrator must obtain verification of EPA "Renovation, Repair and Painting" certification as a firm with a Certified Renovator assigned to the project, and place it in the Pre-qualified Bidders file.

Pre-Qualifying Contractors

Pre-qualification of construction contractors must be done through the use of a standardized application form. Information requested must include:

- Type of work performance;
- Recent projects completed of the type and size to be bid;
- Suppliers and credit established;
- Bank references;
- Insurance coverage;
- Subcontractors utilized and their contractor's license (Class A or B);

- Number of employees;
- Proof of necessary license (Class A or B); and
- Proof of Lead training.
- Licensed by DPOR as a Class A, Class B, or Class C and licensed in the appropriate trades to be included;
- Documented current personal property liability insurance coverage of \$100,000 property and \$300,000 bodily injury (minimum);

See Appendix 66 for a Contractor's Qualification Statement sample.

Standards for General Contractors

The Grantee must develop criteria to evaluate contractors for inclusion or exclusion on the Bidders List. The criteria should allow you to include only legitimate, experienced general contractors with good references and credit histories. The criteria should allow rejection of contractors due to predetermined standards of experience, capability and credit. Job and credit references should be verified. If feasible, the Rehabilitation Specialist should inspect the contractor's most recent work.

It may be necessary to reject contractors due to poor workmanship or bad credit. Additionally, you may want to limit inexperienced contractors to smaller jobs initially or to advise specialty contractors to act as subcontractors to general contractors. Without pre-qualification it is very difficult to limit the involvement of inexperienced or specialty contractors and a multitude of problems may lie in store for both the program and the contractor.

More stringent standards may be required, but must, at a minimum, utilize the following standards:

- Good references from at least two (2) jobs similar in work and dollar value to the work on which they are bidding. Grantee must document having checked references;
- Have been in business as a General Contractor for at least one year;
- Have an established credit record with no outstanding or pending judgments or claims. Bonding cannot be required if adequate credit is established; and
- Proof of training in Lead-Safe Work Practices, EPA Certified Renovation Firm and Certified Renovator.

✿ All contractors to be included on the Pre-Qualified Bidders' list must be approved by the governing board of the program.

CONTRACTOR'S QUALIFICATION STATEMENT

(CDBG related construction and demolition activities)

***Please attach a photocopy of current contractor's license and current EPA Certifications.

***All questions must be answered to the fullest extent possible. Additional sheets for clarification of answers or additional information must be attached if necessary

*****THIS STATEMENT MUST BE NOTARIZED*****

COMPANY INFORMATION

Company Name _____
Address _____
Phone Number(s) _____
Email Address _____
Contractors License # _____
IRS ID Number of Company
(or last 4 digits of owner's Soc. Sec No.) _____

COMPANY OWNERSHIP INFORMATION

Owner Name _____
Principle Officer _____
Date of Formation _____
Place of Formation
(City/Town & State) _____

INDUSTRY WORK DESCRIPTION

(describe general type(s) of work performed)

STATUS OF WORK

(List any work awarded that was failed to be completed or contracts defaulted on. Note where and why.)

RECENT CONTRACT WORK

(List three most recent contracts over \$10,000.)

1	Work Performed For _____
	Contact Name & Phone Number _____
	Type of Work Performed _____
	Approximate Cost of Contract _____
	Location of Work Performed _____
	Date Started _____
	Date Completed _____
2	Work Performed For _____
	Contact Name & Phone Number _____
	Type of Work Performed _____
	Approximate Cost of Contract _____
	Location of Work Performed _____
	Date Started _____
	Date Completed _____
3	Work Performed For _____
	Contact Name & Phone Number _____
	Type of Work Performed _____
	Approximate Cost of Contract _____
	Location of Work Performed _____
	Date Started _____
	Date Completed _____

MATERIAL SUPPLIERS

(List three material suppliers and amount of credit available)

1	Name of Supplier _____
	Credit Available (\$) _____
2	Name of Supplier _____
	Credit Available (\$) _____
3	Name of Supplier _____
	Credit Available (\$) _____

BANK REFERENCES

1	Name of Fiancial Institution _____
	Credit Available (\$) _____
2	Name of Fiancial Institution _____
	Credit Available (\$) _____

INSURANCE COVERAGE

Liability (Property) _____
Liability (Personal Injury) _____
Vehicle/Equipment (if applicable) _____
Other _____

LIST OF SUBCONTRACTORS (if applicable)

1 Name _____
Address _____
Specialty _____
Contractors License No. _____
Year of Experience _____

2 Name _____
Address _____
Specialty _____
Contractors License No. _____
Year of Experience _____

3 Name _____
Address _____
Specialty _____
Contractors License No. _____
Year of Experience _____

COMPANY EXPERIENCE AND KEY PERSONNEL

(Please describe)

EMPLOYEES

Number of full-time employees _____

DEBARREMENT & EPA CERTIFICATIONS

Are you on any list of debarred contractors maintained by the U.S. Department of Labor, U.S. Department of Housing & Urban Development, or Virginia Department of Highways?

Circle Answer: YES NO

All contractors and subcontractors, including electricians, must have the EPA required Renovate, Repair and Painting certification (RRP) in order to be considered for housing rehabilitation projects with work to houses constructed before 1978 funded under this program.

Does your company carry this certification?

Circle Answer: YES NO N/A

If "YES" complete the attached Company/Employee Record

If not, someone from your company will be required to attend the training before work can begin on a project site. Do you need information about lead training and certification classes?

Circle Answer: YES NO

Please list any other additional certifications or licenses that you feel may be helpful or further explain the type of contract activities the compant performs.

The undersigned hereby authorizes and requests any person, firm or Corporation to furnish any information requested by the Town of Bedford, or its consultants, in verification of the recitals comprising this statement of contractor's qualifications:

Company Name _____
Authorized By _____
Title _____
Signature _____
Date _____

NOTARY STATEMENT

COMMONWEALTH OF VIRGINIA

CITY | TOWN | COUNTY of _____ ;

_____ being duly sworn deposes and says that he/she is an authorized representative of _____ and that the answers to the foregoing questions and all statements therein contained are true and correct.

Given under my hand this _____ of _____, 20 _____

My commission expires _____
My Registration Number _____

Notary Public

