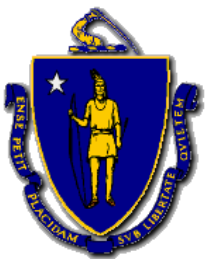


DHCD SMALL PROJECTS GUIDE FOR STATE AIDED PUBLIC HOUSING

\$0-\$50,000



Charles D. Baker, Governor
Karyn Polito, Lieutenant Governor
Jennifer Maddox, Undersecretary
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The information contained in this publication represents our understanding of the current laws, regulations, and policies regarding procurement of design and construction services by Local Housing Authorities (LHAs) and Regional Capital Assistance Teams (RCATs) for small (less than \$50,000 in estimated construction cost) contracts for construction, including reconstruction, installation, demolition, maintenance or repair of a public building or site. Contracts for public building projects are subject to the requirements MGL c.149.

These laws, regulations, and policies are always subject to change and the reader is responsible for insuring that all information is current before proceeding on an issue and should not rely solely on the information contained herein.

In an effort to provide the most current information on these subjects, this guide and its attachments and appendices are updated as often as possible and are available in their most current form by visiting our web site at:

www.mass.gov/public-housing-modernization-documentation

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Introduction

How to Use this Guide

DHCD issued the DHCD Small Projects Guide (the Guide) to assist LHAs and RCATs with the independent execution of capital projects under \$50,000. Periodically, DHCD updates the Guide to reflect changes to legislation and new DHCD policies and practices. This revision includes the following updates:

1. References throughout to the use of DHCD's web-based project management system, Cap Hub, in managing and tracking capital projects;
2. Clarifies RCAT's role in various stages of the project;
3. Offers guidance on alternate procurement path for single-trade, under \$50,000 projects through Operational Service Division (OSD) statewide contracts.

This guide consists of a set of step-by-step instructions that you can follow to make sure your project is done efficiently, cost-effectively and according to the applicable statutes, rules and regulations. At the end of this section, there is a "Checklist for Implementing a Small Project from Beginning to End" which summarizes the steps and where they are addressed in the Guide. The Appendix also provides web links or sample reference documents, forms and templates to be used for project scoping, through bidding and construction to closeout. DHCD's web site will always have the most current versions of all of these documents in electronic form so that you can access and use them easily. Once again, the purpose of this guide is to provide a step-by-step process and the key documents in one place, so that an LHA can:

- Take the project description from the capital plan level of detail and turn it into a viable project;
- Determine when professional design services are required, to what extent, and how to engage a professional to work with you;
- Maintain an up-to-date schedule and budget in Cap Hub;
- Prepare design documents, compile a bid package, bid and award a construction contract for the project;
- Oversee the construction phase from Notice to Proceed (NTP) to warranty closeout, update the Capital Planning System to reflect the capital improvements installed, collect hazardous material reports, update accessibility improvements and centrally record vital operation, repair, parts and warranty information;
- Certify to DHCD that you have implemented the project in accordance with law and regulation (see Appendix for certification form);
- Request payments; and
- Maintain a project record.

This document will be updated continually, based on updated guidance, policies and processes. You should always check on the DHCD website to make sure you are using the most recent version.

Checklist for Implementing Building Related Small Projects
(Less than \$50,000)
From Beginning to End

Completion Date	Checklist Item
	Use CIP to prepare PROJECT DESCRIPTION
	Collect available PHOTOS & PLANS
	Prepare detailed if necessary, update and, if necessary, revise SCOPE OF WORK PROJECT SCHEDULE PROJECT BUDGET
	Determine if the City / Town will require a BUILDING PERMIT
	Determine the BIDDING REQUIREMENTS
	Determine whether the project requires Licensed Designer
	If so, HIRE A LICENSED DESIGNER
	Prepare PLANS, TECHNICAL SPECIFICATIONS and a DETAILED COST ESTIMATE <i>If your final total development cost (TDC) is more than \$10,000 over your approved CIP budget or the construction cost is more than \$50,000, STOP AND CONTACT YOUR DHCD PROJECT MANAGER</i>
	Obtain and Assemble appropriate DHCD FRONT END
	Include a STANDARD FORM FOR QUOTES
	Check for TEMPLATE SPECIFICATIONS
	Attach a SCOPE OF WORK and as necessary PLANS, TECHNICAL SPECIFICATIONS & HAZMAT REPORTS
	Apply for WAGE RATES and attach to bid packages: Projects must be Bid within 90 days
	Include a date in the advertisement for the SITE VISIT

Completion Date	Checklist Item
	For projects less than \$10,000, SOLICIT PROPOSALS USING SOUND BUSINESS PRACTICES For projects \$10,000 < \$50,000 PUBLIC NOTIFICATION & SOLICIT QUOTES
	Distribute to Contractors BIDDING DOCUMENTS
	Conduct SITE VISITS FOR INTERESTED CONTRACTORS

	<u>ANSWER ALL QUESTIONS via a written addendum sent to all contractors who requested or picked up a bid package</u>
	RECEIVE QUOTES <i>If your final total development cost (TDC) is more than \$10,000 over your approved CIP budget or your low Quote is more than the bidding threshold, STOP AND CONTACT YOUR DHCD PROJECT MANAGER</i>
	Check the low-bidder's REFERENCES
	within 30 working days from Bid Opening obtain BOARD VOTE
	And AWARD CONTRACT
	Prepare and send to Contractor LOW BID APPROVAL LETTER
	Prepare and forward CONTRACT TO CONTRACTOR
	Obtain Contractor's CERTIFICATE OF INSURANCE
	LHA and Contractor EXECUTE CONTRACT
	Schedule a PRE-CONSTRUCTION MEETING
	Issue a NOTICE TO PROCEED (NTP) <i>Must have fully executed contract with Certificate of Insurance attached before issuing the NTP</i>
	Contractor obtains and LHA pays for BUILDING PERMIT(S)
	LHA MAKE WORK AREA AVAILABLE to the Contractor at the times specified in the bid package
	Provide RESIDENT COORDINATION
	If required, APPROVE SUBMITTALS
	Review and process, if needed, CHANGE ORDERS
	Execute CERTIFICATE OF FINAL COMPLETION (CFC)
	Prepare and submit CERTIFICATION OF COMPLIANCE
	WARRANTY 9 months after CFC, MAKE PROMPT PAYMENTS
	MAINTAIN PROJECT RECORD, ARCHIVE, AND UPDATE CPS

Implementing a Project

1. Project Planning & Scoping

CIP Project Review and Update

Once DHCD has approved your Capital Improvement Plan (CIP) or revision and provided you with a DHCD project number, the first step in starting the project is reviewing the information about the project in your approved CIP. It should include a basic description, preliminary cost estimate and schedule. You need to determine how accurate that preliminary information is and update it if necessary. Review your own records – especially recent ones -- to determine if the project scope still covers the components and building systems that need to be repaired, replaced or modernized. If the total development cost is more than \$10,000 over your approved CIP budget or the project budget or scope has changed significantly, contact your DHCD Project Manager to confirm funding availability and determine whether additional DHCD approval is required prior to proceeding with a

revised project. If the estimated construction cost is more than \$50,000, notify your DHCD Project Manager, and DHCD will assign design review staff and work with you on the project. If you are a participating authority in RCAT, RCAT will provide project and construction management services for projects from \$10,000-100,000 in construction cost, though DHCD staff will review and approve designs for projects above \$50,000 estimated construction costs. These guidelines apply to all publicly funded projects with construction contracts under \$50,000, and are not limited to bond-funded capital projects. Routine or preventive maintenance projects funded from operating budgets and projects funded with grants, such as CPC, must also follow this guidance.

When to Hire a Designer

- DHCD requires you to hire a Licensed Designer (sometimes referred as the Designer, Design Professional, or Consultant) for projects where the construction cost is between \$25,000 and \$50,000. If you think a Designer is not needed on a particular project, contact Simone Early, Assistant Director of Architecture and Engineering at Simone.Early@mass.gov, with information about the project scope and the qualifications of the person who will prepare the solicitation for quotes. Do not proceed without a Designer until you have written approval to do so.
- For jobs with estimated construction costs between \$10,000 and \$25,000, if the Authority having Jurisdiction (AHJ) – generally the Building Official - does not require stamped drawings, you may be able to prepare the necessary documentation and bid package yourself. In this case, be sure that your staff has the time and necessary experience to prepare a detailed set of documents for a bid package (involves measuring quantities of various building materials needed, obtaining product information for several brands and models of equipment that would meet both LHA requirements for performance and DHCD Design Guidelines & Standards) and to diligently oversee construction.
- Whether required by law or not, DHCD also advises you to consider using the services of a Designer for certain types of construction (see Descriptions of Building-Related (Vertical) Construction and Descriptions of Non-Building Related (Horizontal) Construction in the Appendix), for jobs that involve multiple trades and are not simple replacements of existing components, or for jobs related to handicapped accessibility. Review each situation to determine the proper path to creating a complete bid package, to assure that the cost of the construction is controlled, and that high quality is assured.

How to Hire a Design Professional (Architect or Engineer)

If you are required to hire or choose to hire a Design Professional, it's best to select a firm with relevant experience: multifamily housing using the type of construction utilized for your project and public procurement requirements. Consider DHCD-trained House Doctor-LITES. In the rare cases when you believe a regular House Doctor is necessary, please contact Simone Early at simone.early@mass.gov before contracting with the architect or engineer. These licensed consultants are architects and engineers who understand DHCD & LHA capital project issues and are ready to assist you. (The most up to date lists of House Doctor LITES can be found if using the Cap Hub Planning Tab to solicit consultant fee proposals). There are also many other qualified, registered architects and engineers statewide that have multifamily housing expertise and have successfully provided professional design services to housing authorities.

The fee for a design for a job with a construction cost of less than \$50,000 will most likely be less than \$10,000. For jobs with a fee of more than \$10,000, contact your DHCD project manager to have design review staff assigned to write a work order. When you are hiring a design professional for a small job with a design fee less than \$10,000, there is no legal requirement for a formal solicitation of consultant proposals. However, DHCD recommends that you contact at least three qualified designers by phone or email to find out who has time to take on a small job and respond promptly with service. These are some of the questions to consider before you engage potential designers:

- Do the requested design services involve a defined scope of design work or a more open-ended consulting role for the designer such as: reviewing your draft specification, generating a specification, compiling the bid package, providing construction oversight?
- Will the cost be invoiced at an hourly rate or as a fixed price; what are the hourly rates?

Designers experienced with the Commonwealth's statutory requirements for the procurement of construction contracts, and especially housing authority work, can provide great value for the fee charged.

Cap Hub has a download available on the Planning Tab of the most up to date Scope of Services contract for engaging design services for small projects where the basis of payment is a fee-for-service business arrangement and will not exceed \$10,000. The Appendix has a Checklist of Tasks and Services to aid the LHA in defining the consultant's scope of services.

2. Compiling a Bid Package

If the LHA determines that it can proceed with a project on its own without the services of a registered design professional and for jobs over \$25,000 construction cost and receives approval from DHCD to do so, it will need to create a bid package. Most LHAs have seen a bid package but may not have ever prepared one.

For small projects, a complete bid package consists of the following:

- Scope of work and specifications particular to the project, including sustainability and resiliency improvements such as the addition of insulation at an attic roof,
- If hazardous materials are present the scope will need to include a hazmat report and a technical specification done by an Abatement Consultant;
- Standard informational documents (Front Ends) that describe the statutory and contractual obligations for the bidder/contractor;
- Standard Forms for Quotes – Bidder/contractor fills in the quote with their costs.
- Prevailing wage rates attached to the bid documents. (must have been obtained within 90 days of the date quotes are received)

DHCD provides many resources to inform the development of a suitable scope of work and to prepare technical design documents, specifications and related bid documents on its website (see the Appendix for detailed instructions to access the DHCD Public Housing Modernization website), as follows:

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- Bid package Front Ends, Procurement Forms & Contracting Requirements
- Design & Construction – Guidelines & Standards
- Draft Unit Price Bid Packages for the most common types of building component replacements, such as roofing including specifications that can be edited by knowledgeable LHA staff
- Technical consulting and assistance as available
- Sustainability Checklists and Resiliency to Climate Hazard Guidelines

Standard Front End Forms and Informational Documents

DHCD has provided a “Front End” to use on all projects for the appropriate project type and size on its website which is the guide for process and contract documents. DHCD front ends include the forms that the bidder will use to submit a quote, as well as an Owner-Contractor Agreement, Form for Corporate Vote (if the contractor is a corporation), and Performance and Payment Bonds if the estimated construction cost is over \$25,000.

The standard front end documents also explain to the bidders the general terms and conditions that will apply if the bidder is selected for the job, information about insurance, Occupational Safety and Health Administration (OSHA) requirements and the construction contracts and forms that will be prepared and executed by the low bidder. These are sometimes called “boilerplate” because they are all essential to EVERY contract and the LHA is not expected to modify them before using. The LHA should be thoroughly familiar with the front ends and all of their details and requirements. One key requirement applicable to jobs over \$10,000 is that the contractor and/or its workers are required to have completed a 10-Hour OSHA Training Program in order to perform work on the site.

The DHCD front end should be modified for the project and attached to the front of the scope of work defined by the LHA or by their consultant.

Template Specification

Contact DHCD Architectural Supervisor, Jim McCurdy at james.mccurdy@mass.gov to see if a template specification is available for the specific work that you are proposing and consider using it. The design review staff of the DHCD Bureau of Housing Development & Construction have created many of these specifications based on technical assistance for similar types of projects. These template specs can be used as tools by LHAs or their hired designers to speed the process and reduce costs. See the Appendix reference section for a link to a sample bid package and for a link to the Index of currently available template specifications.

Scope & Specifications

The scope consists of a **quantified** description of the work to be completed and any special work requirements. The specifications provide performance standards for materials to be used so the contractor knows the level of quality the LHA requires. Together they need to provide enough detail about the project so that each contractor can provide comparable pricing for the job. If there is a probability of hazardous materials, a hazardous material report should be included with the scope of work and may require a specification from a hazmat consultant.

All specifications, whether prepared by a Designer or the LHA, should follow the minimum standards set forth in the [DHCD Design & Construction – Guidelines & Standards](#). If you are going to prepare your own plans and specifications, the Guidelines can be of use to you in making qualitative decisions to achieve a durable and sustainable project.

If alternates are to be included in the project, they should be clearly noted in the scope documents and the cost should be included in the advertised cost estimate. NOTE: If the alternates increase the estimated construction cost to over \$50,000, Cap Hub will automatically notify the DHCD Project Manager, who will change the project's Primary PM from RCAT/LHA to RCAT-Large or DHCD upon approval of a submitted budget change request.

DHCD Technical Assistance

If you believe that you can prepare plans and specifications – with or without a professional designer and with or without a template – but would like to be able to utilize occasional technical assistance from DHCD, contact the DHCD supervising staff architect or engineer to request technical assistance. (See contact information below.) An LHA or RCAT can also go into the CapHub Planning Tab and select to have DHCD staff assigned for technical review. DHCD staff architects and engineers will only be available for technical assistance as their time permits. Additionally, DHCD review architects and engineers or RCAT project managers may prepare “in-house specs” for LHAs or are available to perform a detailed technical review of a bid package only if a request in writing is made on the In-House Spec Request form and then uploaded into the completed in-house spec planning window on the Planning tab in Cap Hub and it is approved by the Supervising Architect or Supervising Engineer.

**If you need further assistance call
Jim McCurdy, DHCD Supervising Architect at
617-573-1151 or e-mail at james.mccurdy@mass.gov
Or
Frank Bossi, DHCD Supervising Engineer at
617-573-1161 or e-mail frank.bossi@mass.gov**

Obtaining Prevailing Wage Rates

The Massachusetts Department of Labor Standards (DLS) issues prevailing wage schedules to public agencies, including LHAs, for construction projects and several other types of public work. These prevailing wage schedules contain hourly wage rates, usual benefits, and overtime that various types of workers must receive when working on a public construction project. Current prevailing wage rates must be attached to all bid packages. The LHA is always responsible for obtaining and providing these rates to prospective bidders. Prevailing wage rates apply to all contracts for public construction work regardless of dollar value unless the work is being performed by a sole proprietor. The prevailing wages included in the bid package must have been obtained within 90 days of the date that quotes are received.

TO APPLY FOR WAGE RATES GO TO:

[HTTPS://WWW.MASS.GOV/PREVAILING-WAGE-PROGRAM](https://www.mass.gov/prevailing-wage-program)

Schedule a Site Visit

All potential bidders should be provided an opportunity to visit the site and become familiar with the local conditions under which the work has to be performed so as to be able to take these conditions into consideration in preparing the bid. The LHA should set a date to conduct a site visit for all bidders in order to control visitors on the site but should be prepared to accommodate a potential bidder who cannot attend the prearranged site tour.

The Central Register posting should include the date, time and location of the site visit written into the Additional Information section of the form.

Standard Forms for Quotes

A simple standard Form for Quotes is included in the applicable front end.

3. The Process for Procuring a Contract for Building-Related or, Non-Building-Related (Site) Construction, or Procuring Construction Materials without labor

Summary Requirements for Building-Related (Vertical) or Non-Building-Related (Horizontal) Construction Contracts or Procurement of Construction Materials

Soliciting Construction Quotes for Building-Related Projects \$0 - \$10,000

Once your bid package is ready, it's time to get quotes.

For all jobs estimated to cost less than \$10,000, "sound business practices" apply. **Sound Business Practices** are defined as "periodic solicitation of price lists or quotes to ensure the receipt of favorable prices".

DHCD recommends that an LHA invite at least three contractors to quote the job, but if they decline, a single quote that meets all requirements may be accepted. Keep records of contractors asked to quote.

Soliciting Construction Quotes for Building & Non-Building-Related Projects \$10,000 – \$50,000

If the estimated contract cost is at least \$10,000, but not more than \$50,000, the LHA shall prepare a solicitation that includes a written scope-of-work statement defining the work to be performed and providing potential responders with sufficient information regarding your objectives and requirements as well as the time period within which the work needs to be completed.

The LHA is also required to solicit at least three written responses from contractors who customarily perform the work required by the contract. In addition to soliciting contractors, at least two weeks before the deadline for responses, you are required to advertise the solicitation in the Central Register, on COMMBUYS, and to post the solicitation on the LHA's website and in a conspicuous place in or near your jurisdiction's primary office. You should not solicit the written responses until the solicitation is advertised. NOTE: If the LHA obtains two written responses from vendors on a statewide or blanket contract, the advertising/posting requirements noted above are waived.

LHAS may also procure contractors for single-trade work through the TRD statewide contracts. Under these contracts, an LHA may procure up to \$50,000 in labor through written quotes, with associated materials outside the \$50,000 cap. LHAs must solicit quotes from at least three contractors and receive at least two written responses in order to make an award. Learn more here:

<https://www.mass.gov/service-details/tradespersons-statewide-contracts>

The LHA must maintain a log of all plan holders. The log will serve as a contact sheet should any addenda need to be issued.

The LHA must award the contract to the responsible contractor offering to perform the work for the lowest price. Under M.G.L. c. 149, a “responsible” contractor possesses the skill, ability, and integrity necessary to faithfully perform the work called for by a particular contract.

E-Hosting and E-Bidding

DHCD directly pays for the costs of e-hosting and e-bidding. Web-based construction bid document distribution (e-hosting) and web-based construction solicitation (e-bidding) helps streamline the solicitation process and can reduce the time the LHA needs to devote to managing it. DHCD has contracted with two vendors: [BidDocsONLINE](#) and [Projectdog](#).

If e-bidding is not used, the LHA is responsible for all costs related to bidding.

Force Account and Procurement of Construction Materials

Please refer to DHCD’s Force Account Policy and Procedures guide located at <https://www.mass.gov/service-details/force-account-guidelines-and-forms> for full details regarding Force Account projects.

Bid-Splitting and Small Projects

Bid splitting is the intentional division of a project for the purpose of evading the requirements of the procurement laws. This includes obtaining multiple separate single trade contracts for a complex project in which the total construction cost exceeds \$10,000, instead of working through a general contractor. Phasing a larger project into multiple smaller projects in separate years of a capital plan due to the limited availability of capital funding is not considered bid splitting.

How to Post a Notice in the Central Register & on COMMBUYS

For jobs estimated to cost between \$10,000 and \$50,000, public notification is required in the Central Register and COMMBUYS 14 days prior to date set for the receipt of quotes. Central Register notices must be entered by Thursday at 4 PM for posting on Wednesday of the following week (6 days later).

Use the Wednesday posting date to set your date for receiving bids or quotes. If you miss the 4 PM Central Register deadline on Thursday, you lose a week and should change all the dates for bid opening and a site visit or walk-through, before resubmitting to the Central Register.

TO POST TO THE CENTRAL REGISTER GO TO:

<http://www.sec.state.ma.us/spr/spridx.htm>

<<Click on>> [Submit Bid Notices and Information](#)

<<Click on>> [General Contract Online Submission](#)

How to Post a Notice on COMMBUYS

For construction projects estimated to cost between \$10,000 and \$50,000:

For Instructions on How to Post a Public Notification on COMMBUYS
Contact COMMBUYS Help Desk at
commbuys@mass.gov **and at 888-627-8283**

Bidder's Questions Raised During Site Visits or During the Bidding Process

The LHA also has the obligation to respond to every question or request for a clarification or interpretation of the design documents posed by a potential bidder. Bidders often ask questions during the scheduled site visit. The LHA should record all questions.

Both the question and the response should be written into an **Addendum to be issued a minimum of two full work days prior to receipt of bids or quotes and disseminated** to everyone on the plan-holders list to assure that all bidders are on equal footing in preparing their quotes.

If the project is being e-bid, the Addendum will be uploaded to the hosting vendor and then the hosting vendor will post and disseminate the Addendum.

Evaluating Quotes

Once quotes are received and the deadline for quotes has passed, the LHA must determine the lowest qualified bidder and verify that the contractor is not debarred by the Attorney General's Office. (See Reference in Appendix for the web site to check for debarred contractors.)

The LHA should then check the references of that bidder. Some questions you may wish to ask the references are:

- Did the contractor perform the work in accordance with the scope of work?
- Did the contractor provide sufficient oversight of the work performed?
- Rate the contractor's knowledge and experience.
- How were the contractor's overall schedule, organization and responsiveness?
- Did the contractor request change orders on the project? Were they justified?
- Would you use this contractor again?

The answers to these and any other questions, together with any of your other notes from these calls or e-mails, must be retained in the project file.

If the references for the low bidder are unsatisfactory, the LHA can reject the low bid as long as there is sufficient documentation to support this action. Prior to rejecting the bids, contact DHCD to discuss next steps in these circumstances when the low bid is not accepted.

Awarding and Executing Construction Contract

Once a bidder with satisfactory references is determined, the LHA Board must vote to approve the low bid and award the contract, and should prepare and send a low bid approval letter to the contractor, including contracts to be signed by the contractor and returned to the LHA together with the Contractor's Certificate of Insurance and Performance and Payment Bonds when required.

DHCD's approval of the low bid is NOT required for projects with construction costs under \$50,000.

A sample low bid approval letter can be found here: <https://www.mass.gov/service-details/public-housing-capital-project-phase-approval-templates>. The link to the contract forms for projects estimated to cost \$0 - \$10,000 and \$10,000 - \$50,000 are also available on the DHCD website. Other than adding the name of the contractor, time of completion and the contract price, no change should be made to the contract form and only these forms should be used. A sample Certificate of Insurance, which is to be provided to the LHA by the Contractor, is also included.

The Owner-Contractor Agreement should be sent via email to the Contractor for its signature first. After the return of the signed Agreement, proper insurance certificate(s), and any other required documents, the LHA should sign the Agreement. Usually the Chair and the Secretary/Clerk of the Board is authorized to execute a contract voted on by the Board without an additional Board meeting or vote. Many LHAs choose to expedite the process by authorizing the Executive Director to sign a specific contract on its behalf when it is returned as part of the vote to award that specific contract to the low bidder.

Public Bidding and Emergencies

Should you have an emergency situation that is an immediate threat to the health and safety of the residents, you should act as soon as possible to correct the problem. The emergency response should be limited to the work necessary to address the health and safety concern, not a full repair or replacement that may ultimately be required. If the estimated construction cost exceeds \$10,000, please notify your DHCD Project Manager and DHCD Construction Advisor as soon as possible after the discovery of the problem so they can work with you to request a waiver from the Division of Capital Asset Management and Maintenance (DCAMM) from the advertising and/or bidding requirements and provide you with general provisions in order to solicit quotes.

DHCD emphasizes that emergencies, including but not limited to, severely leaking roofs, compromised structural integrity, and significant utility failures, should be **immediately** reported to DHCD Construction Advisor and Project Manager.

After the emergency has been addressed, your RCAT PM can assist with a CIP revision, your DHCD PM can assist with any special funding if necessary and available. Please initially focus on stabilizing the issue and working with your DHCD Construction Advisor.

Please note that the LHA is responsible for applying for and providing the Massachusetts Prevailing Wage rates for all projects, even in emergencies. We suggest that you apply for wage rates every three months so you have them available if you need to address an emergency. If your emergency project is estimated to cost \$10,000 or more, the contractor and/or its workers are required to have

completed a 10-Hour OSHA Training Program in order to perform work on the site. This requirement is not waived for emergencies.

4. Construction

Once the Owner-Contractor Agreement (often referred to as the Construction Contract) has been fully executed, the project can move into the actual construction stage.

Construction Oversight and LHA Roles and Responsibilities

During this phase the LHA is responsible for the following:

- The LHA should issue a Notice to Proceed (NTP) to the Contractor.
 - At a minimum, the NTP clearly establishes the start date of the contract and designates the owner's representative. Other items of importance not covered in the contract may also be established as part of the NTP. This document will help you by documenting the terms impacting the time of completion should problems arise;
- Paying for the Building Permit(s) which the Contractor must obtain.
 - Frequently, communities are more likely to reduce the cost of a permit if a public agency pays for it;
- Providing Resident Coordination;
- Making the work area available to the Contractor during the hours designated in the scope of work;
- Approving submittals, if required, which may include selecting colors or approving materials or equipment that will be used. These need to be compared to the specified products, if appropriate;
- Making prompt payments for properly completed work;
(Note that Contractors are due Interest on Late Payments)
- Reviewing and processing Change Orders.

Some technical assistance during construction from DHCD may be obtained by contacting your Construction Advisor. If you are participating in the RCAT program, an RCAT PM will provide construction oversight for projects up to \$100,000, except those deemed complex by DHCD.

Change Orders

Sometime, circumstances arise that require changes to the work and Contract Documents. These changes can be the result of a matter brought up by the Contractor and/or the Owner, and can involve changes to the Contract conditions, construction details and/or the time of completion or schedule. Change Orders do not necessarily result in increased project cost. Normally, the contractor proposes a change order to the designer who fills out the Change Order form to his satisfaction and submits it to the LHA for its approval. **Change orders that are cumulatively over \$10,000 need approval from your DHCD Construction Advisor.**

Typically Change Orders involve:

- Minor changes;
- Accommodation of code requirements;
- Latent or hidden conditions; or

- Clarifications to the Contract Documents.

You may not use a Change Order to include work that was not part of the original scope of work at the time bids were solicited! Alternates which were described in the bid package for which funding becomes available during the course of the project can be accepted in sequential order as listed in the Alternate Section of the project manual as long as accepting the Alternates would not have changed who the low bidder was.

Approving Final Completion

At the end of the project, the LHA or their hired design professional is responsible to review the work completed and create a list of incomplete items, commonly known as a “punch list,” for the contractor to complete prior to final payment. After the contractor has completed all of the work on the punch list created by the LHA, the Certificate of Final Completion can be issued. (This certificate is only required on jobs over \$10,000.) The Appendix has a link in the reference section to the Certificate of Final Completion form.

Closing Out the Project

Several steps need to take place during closeout:

- **Warranty Documentation:** The Contractor should provide a Warranty for work as described in the Contract Documents. These Warranties need to be filed by the LHA for easy access should there be defects in the work or materials. A minimum one year warranty for general work and materials is standard.
 - **Warranty Walk-thru:** Nine months from the date of the Certificate of Final Completion the LHA should do a walk-thru of the project to determine if any scope needs to be repaired by the contractor under the general one year warranty. The contractor should be invited to the walk-thru. If items are noted, provide a written report to the contractor requesting the repairs.
- **Updating Capital Planning System:** The LHA must update its CPS records to reflect all construction projects completed. This will include uploading any hazardous material reports and abatements, as well as updating any accessibility or sustainability improvements. Construction Advisors and RCAT project managers have been trained to provide Technical Assistance in this area. See also <https://dhcdcps.com>
- **Maintain a Project Record:** the LHA should keep a project record that contains the following information:
 - DHCD Project Number
 - Bid Package with a Defined Scope of Work and any drawings
 - Hazardous Material Reports and Certifications
 - Copy of COMMBUYS publication (if required)
 - Copy of *Central Register* Public Notification for Written Quotes (if required)
 - Firms contacted to supply quotes and advertisement (if required)
 - List of Person (s) or Firm (s) who submitted Quotes
 - Executed Owner Contract Agreement (including Change Orders, insurance and wage reporting)
 - Copy of Notice to Proceed

- Copies of OSHA Cards
- Building or other Permit(s) as necessary
- Designer (Architect/Engineer) Contract
- Original Quotes received and reference checks
- Board Vote to award contract to lowest responsible bidder
- Contract
- Wage reporting for work completed by LHA maintenance staff
- Certificate of Final Completion
- Warranties
- Payments
- Certification of Compliance with Bid Laws and Capital Plan

All of these documents should be saved in CapHub by uploading them into the Document Tab. Document uploading is described in the CapHub Instruction Book. There is a link in CapHub at the “?” in the header.

- **Archive the Final Bid Documents & As-Built Drawings:** The LHA or their Designer should prepare and transmit a PDF version of the bid set documents (including addenda) to BidDocsONLINE to be archived. (BidDocs is DHCD’s vendor for digital archiving.) The PDF documents shall be forwarded via email to support@biddocsonline.com. If the documents are too large to email, please forward a CD to BidDocsONLINE, P.O. Box 51, Groton, MA 01450. All documents should be accompanied by a transmittal indicating the LHA, the project name, the development name and number, the DHCD number and the Designer's contact information. These instructions are also listed in the DHCD scope of services posted on the webpage for use when hiring a Designer.

DHCD may complete a post-completion review of the project.

- **Requesting Payment and Submitting the Certification of Compliance –**
 - **To Request Payment from DHCD:**
 - Invoicing for all DHCD funded capital projects has moved online and is hosted within CapHub. Please see invoicing guide (insert URL) for detailed instructions.

**If you need further assistance, call
Bill Miller, Supervising Construction Advisor at
(617) 573-1170 or William.M.Miller@mass.gov**

References

Below are links to our website where many useful documents are hosted.

[Design & Construction - Guidelines & Standards](#)

[Public Housing Bidding Information](#)

[Construction Handbook](#)

[Phase Approval Templates](#)

[Public Housing Sustainability, Resilience and Healthy Building Environments](#)

[Force Account Guidelines](#)

[Building Related Projects Estimated to cost \\$10,000 to \\$50,000](#)

[Non-Building Site Work Projects Estimated to cost \\$10,000 - \\$50,000](#)

[Other Resources for LHAs](#)

Attachments



M.G.L. c.149 - BUILDING CONSTRUCTION CONTRACTS WITH LABOR

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	Over \$50,000 to \$150,000	Over \$150,000	Over \$10,000,000
Procurement Procedure	Sound business practices (as defined in M.G.L. c. 30B, § 2).	Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work. Solicitation is in addition to the advertising requirements below.	Sealed bids (using M.G.L. c. 30, § 39M).	Sealed bids (using M.G.L. c. 149, §§ 44A – 44J).	Solicit statements of qualifications prior to soliciting sealed bids (using M.G.L. c. 149, §§ 44A – 44J).
Notice/Advertisement Requirements	None.	Post a notice at least two weeks before responses are due on: 1) your jurisdiction's website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office.	Post a notice: 1) in your jurisdiction's office for at least one week before bids are due; and at least two weeks before bids are due, publish: 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS.	Post a notice: 1) in your jurisdiction's office for at least one week before bids are due; and at least two weeks before bids are due, publish: 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS.	Advertise the request for qualifications at least two weeks before responses are due 1) in a newspaper; 2) in the <i>Central Register</i> ; and 3) on COMMBUYS.
DCAMM Certification	No.	No.	Yes if contract is > \$100,000. This is a DHCD requirement.	Yes. General bidders if more than \$150,000 and filed sub-bidders if more than \$25,000.	Yes. General bidders if more than \$150,000 and filed sub-bidders if more than \$25,000.
OSHA Training	No.	Yes.	Yes.	Yes.	Yes.
Prequalification	No.	No.	No.	Optional.	Yes.
Filed Sub-bids	No.	No.	No.	Yes, if more than \$25,000.	Yes, if more than \$25,000.
Bid Deposit	No.	No.	5% of the value of the total bid.	5% of the value of the total bid or sub-bid.	5% of the value of the total bid or sub-bid.
Payment Bond	No.	100% payment bond if the contract is >\$25,000. This is a DHCD requirement.	100% payment bond. This is a DHCD requirement.	100% payment bond.	100% payment bond.

Performance Bond	No.	100% performance bond if contract is > \$25,000 This is a DHCD	100% performance bond. This is a DHCD requirement	100% performance bond.	100% performance bond.
Prevailing Wage	Yes.	Yes.	Yes.	Yes.	Yes.
Contractor Evaluation	No.	No.	No.	Yes.	Yes.
OSD or Blanket Contract Option	Yes.	Yes.	No.	No.	No.



M.G.L. c.30 §39M – NON-BUILDING CONSTRUCTION CONTRACTS WITH LABOR

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	Over \$50,000
	M.G.L. c. 30 §39M	M.G.L. c. 30 §39M	M.G.L. c. 30 §39M
Procurement Procedure	Sound business practices (as defined in M.G.L. c. 30B, §2).	Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work. Solicitation is in addition to the advertising requirements	Sealed bids.
Notice/Advertisement Requirements	None.	Post a notice at least two weeks before responses are due on: 1) your jurisdiction's website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office.	Post a notice: 1) in your jurisdiction's office for at least one week before bids are due; and at least two weeks before bids are due, publish: 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS.
OSHA Training	No.	Yes.	Yes.
Prequalification	No.	No.	Maybe.
Bid Deposit	No.	No.	5% of the value of the total bid.
Payment Bond	No.	100% payment bond if contract is >\$25,000. This is a DHCD requirement.	100% payment bond. This is a DHCD requirement.
Performance Bond	No.	100% performance bond if contract is > \$25,000. This is a DHCD requirement.	100% performance bond. This is a DHCD requirement.

Prevailing Wage	Yes.	Yes.	Yes.
OSD or Blanket Contract Option	Yes.	Yes.	No.



**M.G.L. c.30 § 39M, or M.G.L. c.30B § 5 – CONSTRUCTION MATERIALS PROCUREMENTS
WITHOUT LABOR**

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	Over \$50,000	Any Amount
	M.G.L. c 30 §39M	M.G.L. c.30 §39M	M.G.L. c.30 §39M	M.G.L. c.30B §5 Option
Procurement Procedure	Sound business practices (as defined in M.G.L. c. 30B, § 2).	Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work.	Sealed bids.	Sealed bids.
Notice/ Advertisement Requirements	None.	Post a notice at least two weeks before responses are due on: 1) your jurisdiction's website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office.	Post a notice: 1) in your jurisdiction's office for at least one week before bids are due; and, at least two weeks before bids are due, publish: 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS.	Post a notice at least two weeks before bids are due: 1) in your jurisdiction's office; and publish: 2) in a newspaper; 3) on COMMBUYS; and 4) in the <i>Central Register</i> .
OSHA Training	No.	No.	No.	No.
Prequalification	No.	No.	No.	No.
Bid Deposit	No.	No.	5% of the value of the total bid.	No.
Payment Bond	No.	100% payment bond if contract is >\$25,000. This is a DHCD requirement.	100% payment bond. This is a DHCD requirement.	100% payment bond if contract is >\$25,000. This is a DHCD requirement.
Performance Bond	No.	No.	No.	No.
Prevailing Wage	No.	No.	No.	No.
OSD Option	Yes.	Yes.	Yes.	No.
Blanket Contract Option	Yes.	Yes.	No.	No.



M.G.L. c.7C, §§44-57 – DESIGN SERVICES FOR PUBLIC BUILDING PROJECTS

Estimated Construction Cost (ECC)/Estimated Design Fee (EDF)	ECC \$100,000 or less or EDF less than \$10,000	ECC more than \$100,000 <u>and</u> EDF \$10,000 or more (both ECC <u>and</u> EDF thresholds must be met before the designer selection procedure is required).*
Procurement Procedure	None. Recommend soliciting qualifications and prices from at least three designers.	Qualifications-based selection process. Jurisdiction must either (1) set the design fee; or (2) set a not-to-exceed fee limit and then negotiate the fee with the top ranked designer within the fee limit.
Advertising Required	No.	Advertise in the <i>Central Register</i> and your local newspaper at least two weeks before the deadline for filing applications.
Designer Selection Board	No.	DHCD typically uses Work Orders to procure House Doctors for projects with ECC between \$50k-\$500k & Advertises a Request for Services (RFS) to procure services on projects over \$500k.
Designer Application	No.	Use “Standard Designer Application Form for Municipalities and Public Agencies not within DSB Jurisdiction (Updated July 2016)”
Designer Evaluation (Submit to DCAMM and Designer Selection Board)	No.	Yes. See http://www.mass.gov/anf/property-mgmt-and-construction/design-and-construction-of-public-bldgs/designer-selection-process/designer-selection-proc-and-evals-for-municipalities/dsodr-eval-frms-and-info-for-
Registration	Yes.	Yes.
Insurance	No.	10% of the total cost of the project or \$1 million, whichever is less.
Prevailing Wage	No.	No.



M.G.L. c.30B – PROCUREMENT OF SUPPLIES AND SERVICES

Estimated Contract	Under \$10,000	\$10,000 to \$50,000	Over \$50,000
Procurement Procedure	Sound business practices. ¹	Use a written purchase description to solicit written quotations from no fewer than 3 persons who customarily provide the	Sealed bids or proposals (M.G.L. c. 30B, §§ 5 or 6).
Notice/Advertising Requirements	None.	None.	Post a notice: 1) in your jurisdiction's office, and, at least two weeks before bids or proposals are due, and publish: 2) in a newspaper, and 3) on COMMBUYS. If the procurement will exceed \$100,000, at least two weeks before bids or proposals are due, publish in the <i>Goods and Services Bulletin</i> .
Award contract to:	Responsible person offering the best price.	Responsible person offering the needed quality of supply or service at the lowest price quotation.	Under § 5, the responsible and responsive bidder offering the best price. Under § 6, the most advantageous proposal from a responsible and responsive proposer taking into consideration price and non-price proposals.
Written Contract Required	No. Keep written records as a best practice.	Yes.	Yes.
Maximum Contract Term	Three years, unless majority vote authorizes longer.		
OSD Option	Yes.		