

**City of Frankfort**  
**HOME CONTRACT DOCUMENTS**  
**HOUSING REHABILITATION**  
**JUNE, 2010**

# HOME HOUSING REHABILITATION

## CONSTRUCTION CONTRACT

THIS CONSTRUCTION CONTRACT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2010 by and between \_\_\_\_\_, of \_\_\_\_\_, Frankfort, KY 40601 (hereinafter "Owner"), and \_\_\_\_\_, of \_\_\_\_\_ acting herein by \_\_\_\_\_, (hereinafter "Contractor").

### WITNESSETH:

WHEREAS, Owner has received a commitment for funds from the City of Frankfort (hereinafter "Lender" or "City") under the Home Investment Partnership Act (HOME); and WHEREAS, the funds to be received by the Owner or Contractor from Lender under the HOME program will be used only to make certain repairs or improvements to Owner's property at **106 Spring Street., Frankfort, KY**. Such work, referred to as the work write-up (hereinafter "work write-up") attached hereto and made part hereof; the purpose of said work is to bring the owner's property up to International Property Maintenance Code and NOW, THEREFORE, the Owner and Contractor hereby agree as follows:

## ARTICLE I

### SCOPE OF THE WORK

- 1.1 The Contractor represents that he has visited the Property and has familiarized himself with the existing conditions under which the work is to be performed.
- 1.2 Upon receipt of a written "Notice to Proceed", the Contractor will furnish and pay for all of the labor, materials, equipment, tools, water, heat, utilities and services necessary for the proper completion of the work in accordance with the Work Write-Up, Information for Bidders, bid documents, contract documents, Housing Rehabilitation Lead Specifications dated June 2010, and this Contract. Contractor will also pay for all other permits, licenses, and inspections necessary for completion of the work. The Contractor shall obtain any required building permits.
- 1.3 All work will be of good quality, free from defaults and defects and in accordance with the Work Write-Up, which has been approved by Owner and Lender. All work shall be done in accordance with International Property Maintenance Code, Kentucky Residential Code, when applicable, the State Plumbing Code, the National Electric Code and the National Fuel Gas Code, the Housing Rehabilitation Lead Specifications including all Addenda and Drawings (if any). All work not conforming to this requirement will be considered defective.
- 1.4 The Contractor will at all times and at his expense, keep the premises free from accumulation of waste or rubbish caused by his operations. Materials and equipment that have been removed and replaced as part of the work shall belong to the Contractor, unless stated otherwise in the specifications. The Contractor shall dispose of waste in accordance with state regulations.

- 1.5 Lead Based Paint - The Contractor shall comply with the Code of Federal Regulations, Title 24, Sub-Part C, 35.24 concerning Lead-Based Paint Standards. Lead-based paint shall not be used in the course of work under this contract. When lead hazard reduction activities are included in the scope of work, the Contractor shall also comply with all applicable Federal, state and local laws, rules, regulations and guidelines for lead dust environments including OSHA 29 CFR 1926 - Construction Industry Standards; 29 CFR 1926.62-Construction Industry Lead Standard; 29 CFR 1910.1200 – Hazard Communication Standard; 40 CFR Part 745 - EPA Regulations; 24 CFR Part 35 -HUD Regulation on Lead-Based Paint Hazards in Federally Owned Housing and Housing Receiving Federal Assistance; and HUD Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing.
- 1.6 Subcontracting - The Contractor agrees that he is completely responsible to the Owner for the acts or omissions of his subcontractors and of the persons either directly or indirectly employed by them, as he is for the acts and omissions of persons employed by him. Nothing contained in the Contract documents shall create any contractual relationship between any subcontractor and the Owner, however should the Owner or Lender on behalf of the Owner be required to expend funds to subcontractors or another contact as necessary for completion of the contract work, it is agreed by the Contractor that reimbursement will be made to the Owner or Lender and that any court costs, attorney fees or other legal fees expended to finalize contract requirements will be paid by the primary contractor.

## **ARTICLE 2**

### **CONTRACT PRICE**

Owner will pay Contractor for the performance of this Contract subject to any additions and deductions provided herein, the sum of \$\_\_\_\_\_.

## **ARTICLE 3**

### **PROJECT WORK SCHEDULE**

The Contractor shall commence work within ten (10) calendar days of receipt of written Notice to Proceed. The Notice to Proceed will be issued within 30 days of the signing of this contract. The Contractor shall satisfactorily complete the work within 60 calendar days of the written Notice to Proceed, time being of the essence. The Contractor shall make every effort to speed the work along by working outdoors when outdoor working conditions are favorable and by working indoors when outdoor working conditions are unfavorable.

If the Contractor is unable to complete any portion of the work, in the time stated above, due to inclement weather, an extension of up to thirty (30) calendar days may be granted only in the following manner. The Contractor shall contact the Project Manager on the day they intend to claim as an extension day. Approval for an extension will be granted only when there is absolutely no work that can be done that day due to inclement weather. If there is interior work to be done, no extension will be given. If the Contractor fails to complete the work within the time stated herein, the Contractor shall be responsible for payment of any costs due to temporary relocation of the occupants such as rent and furniture storage costs. In addition, if the Contractor fails to complete the work within the time stated herein, they will be fined \$100 per calendar day until such time as all

work is completed and all terms of this contract have been fulfilled. The total amount of the fine and temporary relocation costs shall be withheld from final payment.

## **ARTICLE 4**

### **PROTECTION OF WORK PROPERTY AND PERSONS**

The Contractor will purchase and maintain for the life of this contract adequate workers' compensation insurance in accordance with state and Federal regulations. The Contractor shall purchase and maintain for the life of this contract public liability and property damage insurance which shall protect him and any subcontractor performing work covered by this contract from claims for damages or personal injury, including accidental death, as well as for claims for property damage which may arise from operation under this contract, whether by himself, or by one directly or indirectly employed by said contractor or subcontractor. Public liability insurance shall be in the amount of \$500,000 for injuries, including accidental death, to any one person or one accident. Property damage insurance shall be in an amount not less than \$100,000.

To the fullest extent permitted by law, Contractor will indemnify and hold Owner and Lender and Lender's agent harmless against any claims, damages, loss and expenses, arising out of or concerning the undertaking and execution of this contract.

## **ARTICLE 5**

### **INSPECTION OF WORK**

Contractor and Owner will permit and facilitate inspection of the work by Owner and Lender and its agents and public authorities at all times.

## **ARTICLE 6**

### **CHANGES IN THE WORK**

Owner will forward all instructions to the Contractor through Lender. Owner will not permit any changes, additions, or deletions to this Contract or the work, without approval of Contractor and Lender. If changes are required a change order shall not be approved by Lender until sufficient money is made available to Lender, by the Owner or otherwise, to fully cover the costs of such change order.

## **ARTICLE 7**

### **CORRECTION OF WORK**

Contractor will correct any work that fails to conform to the requirements of this Contract that appears during the progress of work, and will remedy any defects due to faulty materials or workmanship which appear within a period of one year from the date of completion of this Contract. Upon written notice to the Contractor and Lender, the Contractor shall, within fourteen (14) calendar days, remedy any defects due to faulty materials or workmanship at no charge to the Owner and remedy or pay for any related damages to other work. If for any reason, the Contractor fails to remedy any defects for which they have been duly notified, the Owner may at their option, employ another Contractor to remedy the defect. The Contractor that is party to this contract shall be held

liable for any cost incurred by the Owner resulting from the employment of another Contractor to remedy the defect or any legal costs incurred by the Owner or Lender to enforce this contract. The Contractor shall furnish the Owner all manufacturers, suppliers and subcontractors written guarantees, manuals and warranties covering material and equipment furnished under this contract. The provisions of this article apply to work done by subcontractors as well as to work done by direct employees of the Contractor.

## **ARTICLE 8**

### **OWNER'S RIGHT TO TERMINATE CONTRACT**

Should the Contractor neglect to perform the work properly, or failure to perform any provision of this Contract, the Owner, after seven days written notice to the Contractor and his surety, if any, may, without prejudice to any other remedy he may have, make good the deficiencies. The Owner may deduct the cost thereof from the payment then or thereafter due Contractor or, at his option, may terminate this Contract and take possession of all materials, tools, and appliances, and finish the work by such means as he sees fit. If the unpaid balance of the Contract price exceeds the expense of finishing the work, such excess will be paid to the Contractor. If such expense exceeds the unpaid balance, the Contractor will refund the difference to the Lender or Owner. The Contractor shall be responsible for all legal costs incurred by the Owner or Lender to enforce this contract or collect funds owed to the Lender or Owner.

## **ARTICLE 9**

### **ACCEPTANCE AND PAYMENTS**

Partial payment may be requested by the Contractor once every thirty days for contract work satisfactorily completed. Lead reduction activities are not considered satisfactorily completed until clearance of the work site is approved. Requests for payment must be submitted to the project manager on the 12<sup>th</sup> or 26<sup>th</sup> day of the month. Requests for payment received after these dates will not be processed until the next period. The minimum partial payment request shall be \$5,500. The amount of ten percent (10%) shall be withheld from partial payments to provide incentive for the Contractor to finish the job. Final payment shall be due and payable within thirty days following completion of all terms of this contract and final acceptance of same by Owner and Lender. The making and acceptance of the final payment will constitute a waiver of all claims by Owner, other than those arising from unsettled liens or from faulty work appearing thereafter, as provided for under "correction of work" and of all claims by Contractor except any previously made and still unsettled. Payments otherwise due may be withheld on account of defective work not remedied, liens filed, damage by Contractor to others not adjusted, or failure to make payments properly to subcontractors or for material or labor. Final payment requests will only be processed once release of lien forms including contractor's and subcontractor's affidavit, warranty and lien waiver forms have been properly executed and filed with the Lender.

## **ARTICLE 10**

### **CONFLICT OF INTEREST**

No member of the governing body of the community and no other officer, employee or agent of the community who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract; and the Contractor shall take appropriate steps to assure compliance. No Contractor responsible for provision of goods and/or services under this Contract shall be forced or encouraged to forfeit any portion of this Contract amount in order to secure this Contract.

## **ARTICLE 11**

### **CONTRACTOR'S COMPLIANCE**

Contractor will comply with any and all applicable state, federal and local laws, ordinances, regulations and codes, including, but not limited to, Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR, Part 5), the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR, Part 3), Executive Order 11246 of September 24, 1965 entitled "Equal Employment Opportunity" as amended by Executive Order 11375 of October 13, 1967 and as supplemented in Department of Labor regulations (41 CFR Chapter 60), the Davis-Bacon Act (40 U.S.C. 276a to a-7) as supplemented by Department of Labor regulations (29 CFR part 5), Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, Executive Orders 11625, 12432 and 12138 (Minority/Women's Business Enterprises) as supplemented in 24 CFR 85.36(e), the Lead Based Paint Poisoning Prevention Act (24 CFR part 35), and rules regarding conflict of interest as provided in 24 CFR 85.36 and OMB Circular 110.

## **ARTICLE 12**

### **DEBARMENT AND SUSPENSION**

Contractor certifies, by submission of its proposal and execution of this Contract, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

## **ARTICLE 13**

### **SEPARATE CONTRACTS**

Owner waives the right to perform work either with his own work forces or to award contracts to perform other work under this Contract without consent of Contractor and Lender.

## **ARTICLE 14**

### **MISCELLANEOUS PROVISIONS**

- 14.1 There will be no assignment of the rights and obligations of the Contractor under this Contract without the prior written approval of Owner and Lender.
- 14.2 No variance or modification of this Contract will be valid and enforceable, except by supplemental agreement in writing, executed and approved in the same manner as this Contract.
- 14.3 Contract is made under and is governed by the laws of the Commonwealth of Kentucky.
- 14.4 The invalidity or unenforceability of a particular provision of this Contract will not affect the other provisions of this Contract, and this Contract will be construed in all respects as if such invalid or unenforceable provisions were omitted.
- 14.5 Dispute Resolution - In those instances where a mutually satisfactory agreement cannot be reached between the Owner and the Contractor, the Rehabilitation Specialist shall meet with the Owner and the Contractor informally to attempt to resolve the dispute. If a resolution is not forthcoming, the dispute shall be reviewed by the Chief Executive Officer of the Lender or their designated representative. After such review, the decision shall be affirmed by the Governing Body of the Lender. All decisions made by the Governing Body shall be final and binding upon both the Owner and the Contractor.
- 14.6 Owner has authorized Lender to hold the loan proceeds and to make the payments provided for in the Contract directly to Contractor on behalf of Owner.

## **ARTICLE 15**

### **OWNER'S RESPONSIBILITIES**

The Owner shall cooperate with the Contractor to facilitate the performance of the work, including but not limited to, the removal of and replacement of rugs, coverings, dishes, furniture etc. as necessary. The owner shall permit the Contractor to use, at no cost, existing utilities, such as lights, power, phone (local calls only), water and heat, necessary in carrying out the work. The contractor shall be responsible for heat in room additions or if house is vacant. The Owner is required to maintain the rehabilitated structure and property on which it is located for the term of the financial assistance. Maintenance will be examined in relation to the rehabilitation work performed as part of the work write-up and the International Property Maintenance Code. The Code Enforcement Officer will perform periodic inspections, inform the property owner of any items, which have deteriorated, and request corrective action. The Lender reserves the right to take any appropriate action necessary to insure that the rehabilitated property is maintained. This action may, as a last resort, include early payback of financial assistance. If the property is not maintained, the Lender's Code Enforcement Officer will write a letter to the Owner, giving the Owner thirty (30) days to perform said maintenance or to remove junk or debris from the property. If the Owner does not correct said items within thirty (30) days, the Lender may undertake correction of said items, or hire someone to correct said items, with the cost of doing so placed as a tax lien on the property. The Owner may appeal such action to the Lender's Governing Body.

IN WITNESS WHEREOF, the parties hereto have executed this contract the day and year first above written.

OWNER:

CONTRACTOR:

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Witness of Owner

Witness of Contractor

**CONTRACTOR RELEASE LEASE OF LIEN FORMS**

**GENERAL CONTRACTOR'S AFFIDAVIT, WARRANTY AND LIEN WAIVER**

To : (City or County) \_\_\_\_\_

OWNER: \_\_\_\_\_

STREET: \_\_\_\_\_

CITY, ST, ZIP: \_\_\_\_\_

CONTRACT DATE: \_\_\_\_\_

CONTRACT AMOUNT: \_\_\_\_\_

THAT I, the undersigned, being duly sworn, do depose and say that I was contracted to construct, alter or repair an improvement on the above described property.

THAT, the improvements on the subject property have been fully and satisfactorily completed in substantial conformity with the contract.

THAT all the materials used in said improvement, all labor performed thereon and all fees, insurance and permits, in connection with the said improvements which might give rise to liens on the property have been paid in full.

Listed below are all subcontractors and major materialmen included in this work. Attached are waivers of liens from all of them as substantiation of the above statement.

Name of Subcontractor or Materialmen and Address

Framing supplier: \_\_\_\_\_

General supplier: \_\_\_\_\_

HVAC: \_\_\_\_\_

Electrical: \_\_\_\_\_

Plumbing: \_\_\_\_\_

Flooring supplier: \_\_\_\_\_

Cabinet supplier: \_\_\_\_\_

Other: \_\_\_\_\_

Other: \_\_\_\_\_

\_\_\_\_\_

Other: \_\_\_\_\_

THAT I hereby waive any lien or right to lien which I may have against the described property and I warrant to save harmless the said Property Owner and the City or its agents from any liens which are now in existence, or may hereafter arise by reason of said improvements, and cause the same to be released of record immediately.

THAT the foregoing waiver and these statements are an express warranty and representation to the City and the Property Owner of the facts herein sworn to and is made for valuable consideration, receipt whereof is acknowledged.

THAT I hereby guarantee the work performed per my contract for a period of one year from the date of final acceptance of said work and that I have finished all manufacturers' and suppliers' written guarantees and warranties covering materials and equipment furnished under the contract.

\_\_\_\_\_  
NAME OF COMPANY

BY: \_\_\_\_\_

SIGNATURE

\_\_\_\_\_  
TITLE

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
STATE OF KENTUCKY  
COUNTY OF \_\_\_\_\_

Notary Public: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**PLEASE CHECK IF YOUR FIRM IS ANY OF THE FOLLOWING:**

\_\_\_\_\_ 51% or more Woman Owned Business

\_\_\_\_\_ 51% or more Minority Owned Business

# RELEASE OF LIEN FORMS

## SUBCONTRACTOR OR MATERIALMAN'S AFFIDAVIT, WARRANTY AND LIEN WAIVER

General Contractor: \_\_\_\_\_

Property Owner: \_\_\_\_\_

STREET: \_\_\_\_\_

CITY, ST, ZIP: \_\_\_\_\_

CONTRACT For: \_\_\_\_\_

SUBCONTRACT or MATERIAL AMOUNT: \_\_\_\_\_

THAT I, the undersigned, do depose and say that I was employed to furnish labor or engaged to furnish materials for an improvement on the above described property.

THAT I hereby declare that I have been paid in full for my labor or the material supplied for said improvement and I waive any lien or right to lien against the described property. I warrant to save harmless the said property owner and the City/County from any liens which are now in existence or may hereafter arise by reason of said improvements.

\_\_\_\_\_  
NAME OF COMPANY

By: \_\_\_\_\_

SIGNATURE

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
PHONE NUMBER

\_\_\_\_\_  
DATE

**PLEASE CHECK IF YOUR FIRM IS ANY OF THE FOLLOWING:**

\_\_\_\_\_ 51% or more Woman Owned Business

\_\_\_\_\_ 51% or more Minority Owned Business

# MEMORANDUM

## COMPLETION OF WORK

**OWNER:** \_\_\_\_\_

**STREET:** \_\_\_\_\_

**CITY, ST, ZIP:** \_\_\_\_\_

**CONTRACT DATE:** \_\_\_\_\_

**CONTRACT AMOUNT:** \_\_\_\_\_

**TODAY'S DATE:** \_\_\_\_\_

This memorandum, with the signatures of the parties involved, confirms the completion of the rehabilitation work at the address listed above in conformance with the contract and any associated change orders. The owner hereby accepts said work and authorizes final payment. The Contractor will guarantee said work for a period of one year.

\_\_\_\_\_  
Homeowner

\_\_\_\_\_  
Contractor

\_\_\_\_\_  
Homeowner

\_\_\_\_\_  
Project Manager