

City of Arkansas City
2025 Community Development Block Grant
Contractor Guidelines

In order to be eligible to work on houses in the Arkansas City Housing Rehabilitation program, contractors must meet the following program requirements.

I. Contractor Eligibility

- A. Contractors are placed on the Bidders List through contact with the City.
- B. Contractors may be asked to provide work and credit references.
- C. Contractors must be in good standing which means they will not appear on the Department of Labor's debarment list.
- D. Awarded head Contractors must have an Active UEI Registration on Sam.gov

II. Contractor Requirements

- A. Contractors must comply with all federal and state guidelines, rules, regulations, and orders issued by the U.S. Department of Housing & Urban Development, the U.S. Department of Labor, and the Kansas Department of Commerce governing the 2024 Housing Rehabilitation program.
- B. Contractors may not work on more than two houses in the City at one time, unless the dollar value of a housing rehabilitation contract is less than \$2,500: except under special exceptions granted by the City Commission.
 - 1. The total number of open CDBG contracts awarded to a contractor across all locations may be considered when assessing timeliness and project completion. It is recommended that a contractor not manage more than three projects simultaneously; however, exceptions may be made based on project costs or the number of contractors participating in the bidding process.
- C. Contractors shall provide and shall require any subcontractors to provide certificates or other evidence of insurance prior to signing a contract certifying that for the period covered by any contract all contractors and subcontractors carry:
 - 1. Workmen's Compensation Insurance for all owners, employees and employees of subcontractors engaged in work on the premises, in accordance with Kansas Workmen's Compensation Laws.
 - 2. Contractors must carry General Liability Insurance covering both bodily injury and property damage arising from work performed under the

contract. Coverage must include the use of all equipment, machinery, tools, hoists, and motor vehicles associated with the project.

- General / Building Contractor: \$1,000,000 per occurrence / \$2,000,000 aggregate
- Residential Contractor: \$500,000 per occurrence / \$1,000,000 aggregate
- Limited Contractor: \$300,000 per occurrence / \$600,000 aggregate
- Electrical, Mechanical, Plumbing: \$300,000 minimum

3. Any and all additional insurance required by the laws of the State of Kansas.
4. Documentation that they are a KDHE licensed renovation firm if disturbing an area of lead-based paint at or above the “de minimis” threshold.
5. All workers on the job site disturbing areas of lead-based paint at or above the “de minimis” threshold must have completed an approved Lead Safe Work Practices (LSWP) course and be a certified renovator.
6. If roofing work is performed, the firm and sub-contractor that will be performing the roofing improvement must have a valid Roofing Registration with the State of Kansas Attorney General’s Office.
7. A Sam.gov UEI registration number.
8. The City of Arkansas City is waiving fees for permits and licensing for this project.
9. The City of Arkansas City does not impose any special bonding requirements beyond those required for contractor licensure.

All contractors participating in the City of Arkansas City CDBG Housing Rehabilitation Program must purchase a bond in the amount of \$4,000, issued in the name of the City of Arkansas City, in accordance with City licensing requirements.

- D. An invitation to bid will be sent to all contractors placed on the Bidding List through the city. Those contractors interested will be sent a bid package which will include:

1. Instructions to bidders, which will include bid tour date and bid opening.
2. The final bid specifications for each house.
3. A required Bid Proposal form for each house.
4. General and Material Specifications.
5. A notice of where lead hazards have been identified.

6. A copy of the Construction Contract (for informational purposes only).

- E. Contractors are to submit sealed bids to City Clerk at the City of Arkansas City unless otherwise instructed. Alternatively, bids may be submitted to a secure digital drop box, which will remain sealed until the official bid opening. Bids may be opened virtually with the grant administrator. Citizens are welcome to attend the opening at City Hall, and contractors submitting bids will receive invitations to participate, ensuring compliance with the open and fair bidding process.

Bid selection will be determined by the following factors:

1. Lowest and most responsible bid. Cost will be a primary consideration, and all eligible bids will be reviewed. Bids deemed ineligible or exceeding project viability may not be considered.
2. Each contractor will only be allowed to have three open housing contracts at one time. Exceptions may be granted if the contractor is a sole bidder or has the only eligible bid for a specific project.
3. Low bid on individual line items selected for inclusion in the final contract document specifications
4. Quality of workmanship on previous projects
5. Performance on previous contracts with federal and state funds.
6. References supplied by the contractor.
7. Contractor's timeliness of start date for work.

- F. Grantee will approve the bid deemed most responsible and lowest cost based on the established criteria. The grant administrator will recommend the awarded bid in accordance with these guidelines. It is strongly recommended that the Grantee carefully consider this recommendation, taking into account the proposal and supporting metrics.

- H. Conference is held between the Grant Administrator, homeowner, and the contractor to finalize the contract specifications, contract terms and to go over federal and state rules, regulations, and laws.

1. Contract specifications may need to be revised due to a maximum allowable limit per house placed on grants to homeowners.
2. The contract specifications will contain only the highest priority repairs on each house. Larger projects may not include all recommended repairs due to availability of funding. The Housing Inspector will determine the

best utilization of funds to reduce any identified hazards and critical repairs. This approach will reduce deferrals and ensure the grant provides the maximum amount of assistance possible.

3. If the contractor finds the need for a change order, the inspector should be contacted first. Change orders must be approved by the inspector, grant administrator, the City, and the Homeowner.
4. Contracts will not be executed until Subcontractor Disclosure Forms are completed. Any work that begins before the Notice to Proceed is issued may result in completed items being deemed ineligible for payment, particularly if those work scope items are determined ineligible due to insufficient available funds. Neither the Grant Administrator nor the City will be liable for any such payments if work begins prior to the issuance of the Notice to Proceed.
5. The Notice to Proceed must be signed within three months of bid opening

J. Terms of payment must be met for payment to be made by the City.

1. Work must pass inspection, and the final inspection sheet must be signed by the SCKEDD inspector, contractor, and homeowner. The City inspector will be involved in the final inspections process and review all completed work.
2. Certificate of Completion must be signed and returned to the city, if sales tax exemption forms are utilized by the contractor.
3. The primary contractor must submit Lien Prevention Documentation.
 - a. Part 1 is required prior to project commencement to acknowledge where the materials will be purchased and any sub-contractors working on the project. Part 2 will be submitted at the end of the project to ensure all materials and sub-contractors have been paid.
4. The City will issue payment to contractors upon completion of the above criteria and will then seek reimbursement from the Kansas Department of Commerce, unless otherwise specified.
5. Contractor will submit an invoice for the amount of the work no later than the Monday prior to the next scheduled payment date of Friday. Checks are normally issued weekly, but payment within 5 days cannot be guaranteed. Submittal of invoices one week prior to the next payment date is encouraged to ensure that payment can be made at the next scheduled payment date.

- L. Rehabilitation work must be completed within an appropriate timeline. Thirty days are preferred, but 45 days are acceptable. Extensions will be reviewed on a case-by-case scenario if the project exceeds the maximum 45 day timeline. Under no circumstances should a contractor take more than 60 days to complete the rehabilitation.
- M. A one-year warranty must be provided on all work and materials.
- P. All contractors must use the material specifications provided.
- Q. All contractors must attend pre-bid tour (and pre-construction conference if awarded).

These Contractor Guidelines may be revised or amended during the duration of the grant period, subject to approval by the City Commission.

The Contractor Guidelines and all related attachments were approved and adopted by the City Commission of the City of Arkansas City on the 20th day of January 2026.

City of Arkansas City

By: _____
Tad Stover, Mayor

Attest: _____
Tiffany Parsons, City Clerk