



MEMORANDUM OF UNDERSTANDING

2025

Participation in the City of Concord's Housing Rehabilitation and Affordable Housing Programs the undersigned Contractor must comply with the following terms:

1. Approved Contractor's (hereinafter "Contractor") underwriting guidelines must comply with the terms and conditions set forth in The City of Concord (hereinafter "City") Housing Rehabilitation and Affordable Housing Programs Policies or Procedure Guidelines (hereinafter "Guidelines"). This Memorandum of Understanding is valid on all projects contracted from January 1st 2025 through December 31st 2025.
2. Contractor shall immediately (within 5 business days) notify The City in regards to any change(s) within an active Contractor Application which relates to licensing compliance, insurance requirements and contact information to include primary address or ownership changes.
3. Information provided to any Government Office is considered public record. Resident(s) who inquire about the City's Approved Contractors list will be provided a current complete list.
4. Upon review of the Contractor Application package, should it fail to comply with the Guidelines, the City shall notify the Contractor of such non-compliance, and reserves the right to deny request if a reasonable amount of time (15 business days) has passed without acceptable correction or correspondence.
5. The City reserves the right to make changes in the Guidelines, including alterations, therein or additions thereto. Upon receipt by the Contractor of The City's notification of a contemplated change, the Contractor shall in writing within ten (10) business days advise the City if the contemplated change will affect the Contractor's ability to meet the terms. If the City so instructs in writing the Contractor shall suspend their actions pending the City's decision to proceed with the change.
6. Contractor agrees to respond to all bid requests upon notification within the time allotted prior to the bid opening date, regardless of the intention to submit a formal bid. If the City does not receive notification of no-interest or submitted formal bid after two full bidding requests, the City reserves the right to suspend Contractor Approval status until the following Annual Contractors meeting.

The City is utilizing a cost estimate approach for all Housing Rehabilitation and Affordable Housing programs. If the lowest bidder is outside the maximum 10% (below or above) range of the cost estimate completed by the Construction Coordinator, the City will evaluate the cost estimate and the bids to determine feasibility and allow the Contractor to comply within the cost estimate limitations. If a cost discrepancy is found within the original cost estimate, that justifies an adjustment to the total amount, documentation and approval from the Community Development Manager must be

acquired. If the lowest bid is outside the limits and below the cost estimate, the City must obtain confirmation that the Contractor's bid is complete and obtain written acceptance from Contractor that the submitted bid is final.

7. The City must obtain a minimum of two complete formal bids to award any project. If an insufficient number of acceptable bids are received a rebid will be required. The contractor has the right to leave his/her bid or amend for the 2nd rebid. Any formal bids that are not fully executed will be excluded from the process. Upon completion of at least two (2) attempts to obtain the minimum formal bids, the City, at its sole discretion, may award a single formal bid.
8. If a Contractor does not choose to utilize the online bid process, they must notify the City as soon as a formal bid notification has been received. Hard copy bids from Contractors must be delivered to the Community Development office by the specified date and time, in a sealed envelope labeled with the contractor company name and the name and/or address of the project. The Contractor must submit bids on the form provided for the project with costs listed for each section of the scope of work. Each line item should include labor and material costs.
9. All prices on hard copy bids must be written in ink. Signatures must be in ink. Any mistakes must be initialed prior to submitting the bid. It is the Contractor's responsibility to inquire about permit fees, material costs and other expenses that may increase the cost of the work. Once a bid is submitted, the Contractor is bound to the maximum price that is stated in the proposal, unless it is adjusted by an approved change order.
10. The Contractor shall submit a Contractor Lien Release, provided within the contract package, signed by all sub-contractors and material suppliers used on a specific project prior to receiving final payment on a project. The Contractor Release Form shall have original signatures of authorized representatives and a witness to that representative for each sub-contractor and material supply companies. The Contractor shall not be a witness to the signature. The Contractor shall submit all warranty information to the property owner and copies to the City prior to receiving the final payment (i.e. roofing, water heater, HVAC, etc.).
11. The City has a maximum of 30 business days to process submitted draw requests or invoices. All manual contracts (processed outside the Neighborly Software system), approved invoices must be submitted on a legible numbered Invoice and include project address, purchase order number and draw number. Draw request processed directly through the Neighborly Software system, will only need to submit required documents for that particular draw request. Payment requests received with known or identified project changes (change orders) outstanding will be denied until all change orders have been approved and entered/processed. All required insurance coverage must be valid during the term of the project and at the time of draw request. All current draw request or invoices must be fully disbursed prior to submitting additional draws. Contractors will need to resubmit any pay requests which have been denied.
12. Gifts, Gratuities and Discounts – All City of Concord staff and elected officials cannot accept gifts, loans or discounts with which they have official relationships because of City Government business. Inspectors, contracting officers and enforcement officers guard against relationships that might be construed as evidence of favoritism, coercion, unfair advantage or collusion. Any registered vendor found to have offered or engaged in unacceptable gifts or loans to any person covered by this section shall be

ineligible for City business for a period of three (3) years. A false accusation, verbal or written, of favoritism, coercion or unfair advantages made by Contractor to City staff is viewed as unprofessional behavior and may result in suspension from the program.

13. If the Contractor employs subcontractors, the Contractor must hire subcontractors that are licensed and insured as required by law. Subcontractors hired shall be subject to the same requirements that apply to the Contractor awarded the work. The Contractor shall ensure that all applicable provisions are included in their contracts with the respective subcontractors. The Contractor shall not hire the Owner or any family member of the Owner to perform work on the property to be paid under this Contract. Any mechanic liens filed by a subcontractor or third-party due to lack of payment will be a breach of contract with the City and legal action will be taken, per section 4.5 of the Housing Rehabilitation & Emergency Program Agreement and section 4a of the City's Standard Form Construction Contract. All pending payment requests will be placed on hold or denied until rectified.
14. The City will adopt and require as a recommended strategy in the current Action Plan and further identified in the current Analysis of Impediments report, the Fair Housing Action Plan for contracting with small, minority, and/or women-owned businesses. Federal regulations for both CDBG and HOME make it very clear that grant recipients and sub-recipients should make every effort to use local business firms and contract with small, minority-owned and/or women-owned businesses while following the procurement process. Affirmative steps to use small firms, minority-owned firms, women-owned firms, or labor surplus area firms in its federally funded activities must be taken. The efforts should include;
 - Incorporating such businesses in solicitation lists whenever they are potential sources.
 - Ensuring that such businesses are solicited when identified as potential sources.
 - Dividing procurement requirements, when economically feasible, to permit maximum distribution of funds.
15. The Contractor will be graded during each awarded project and provided a copy for reference, as specified in Exhibit "A" and attached to this Memo of Understanding. If the Contractor fails to perform at least two acceptable levels (80 points and above), the City reserves the right to suspend the Contractor until the next Annual Contractors meeting. The City will notify the Contractor of a pending suspension and provide 30 days to respond to the notice. The City retains the right to limit the number of bids awarded to any Contractor due to poor performance, delays, excessive change orders, or disputes with the Owner and/or unsatisfactory performance. The Contractor shall treat the Homeowner with the utmost respect during the process of the repairs. The City of Concord will not tolerate disruptive behavior and/or prejudices.
16. Once a Contractor is awarded a contract for a new construction project, the Contractor shall submit invoices according to the details listed within the contract. Any Housing Rehabilitation projects (home repair) the Contractor may submit up to (4) invoices for work completed. The invoices for manual contracts only shall be submitted to the City's Construction Coordinator via email, fax, or hand delivery. All Neighborly Software contracts will be submitted through the system. The Construction Coordinator shall inspect the completed work within (5) business days (excluding holidays) of receipt of the invoice or system notice. All deficiencies noted during the inspection shall be rectified and corrected prior to the Contractor receiving the payment.

The parties hereto have made and executed this Memorandum of Understanding on the respective dates below. The Contractor signature and submission of to The City's Department of Planning and Neighborhood Development hereby indicates the Contractors commitment to comply with terms and conditions contained herein. Contractor shall be considered a Partner to The City's Department of Planning and Neighborhood Development Housing Rehabilitation and Affordable Housing Programs.

AS TO CONTRACTOR:

Contractor,

Signature of Authorized Representative

Date

Title

AS TO THE CITY OF CONCORD:

Mary Powell-Carr,
Community Development Manager

Date