

Questions and Answers: RFP 20-CDBGDR17-002 Full-Service CDBG-DR Construction Management and Delivery Services.

As of Monday October 19, 2020.

Number	Question(s)	Answer(s)
1	What documentation is required for the System of Record to demonstrate the estimate of the new construction is comparable to the original damaged house characteristics? Please confirm if this will be the responsibility of the PM-Horne?	<p>No. The construction estimates are the responsibility of the CM - See Attachment 9 for the full Scope and section 5.B.2.3. for Inspections and Construction Scope of Work.</p> <p>Also see Attachment 9 section 5.B.2.6.1: "CM" Inspectors and/or estimators will develop...the repair and reconstruction scope of work and cost estimate for each damaged dwelling.</p>
2	Are lien waivers required for progress payments to GCs?	<p>The RFP does not mention lien waiver for progress payments to GCs because GCs will be paid by the CM.</p> <p>Lien Waivers will be required for all Solution I construction.</p>
3	If a homeowner had a previous lien on their MHU, is it the PM's (Horne) responsibility to obtain the lien title transfer? Please confirm.	<p>No, the Homeowner applicant is responsible for clearing any title issues.</p>
4	Is the homeowner's consent to take pictures required?	<p>The Program requires as a part of the Application a signed Consent and Release form. Additional signed consent forms as required by State laws or business process needs may be developed.</p>
5	MHU models have changed over the years and probably will not come in the exact square footage of the original unit. This may mean a smaller or larger amount of square footage. What is the acceptable % change of square footage for replacement?	<p>Per the RFP Attachment 3A Section 1.B, Contractor will hold a meeting with applicants to select a floor plan (the Contractor will provide new house designs in varying square footage configurations for 2, 3, 4-bedroom homes).</p> <p>Per the RFP attachment 9 section 5.B.2.6.3, the CM Contractor shall coordinate with the homeowner and case manager to conduct a pre-award site inspection of each damaged dwelling for purposes of completing a damage assessment. This assessment will determine the cost to rebuild (square footage assessment) or to repair the damaged dwelling for use in the Construction Scope of Work to restore the home to the HCD-DRS approved standards.</p>
6	At this point in time, how many eligible homes are in the pipeline awaiting CM services?	<p>There are currently no homes awaiting CM services.</p> <p>The Application intake process has not begun yet and it is set to begin in early 2021 per the most recent Program launch timeline.</p>
7	Please verify that payment bonds are not required by GCs, just performance bonds when work is greater than 100K.	<p>The RFP is not requiring payment bonds by GCs.</p>
8	Are HUD Section 8 HQS standards applicable to the entire home and eligible for repair?	<p>The Program will offer new standard, basic amenities to make a home decent, safe and sanitary and all improvements will be assessed for compliance with HUD Section 8 Existing Housing Quality Standards, State of California codes and local building codes.</p>

9	On p. 62 the RFP identifies: "Task 1: Administrative Requirements". How should we incorporate these costs into the pricing sheet?	As part of the all-inclusive cost proposal outlined in Attachment 3
10	If a team is submitting as a JV entity, can the participating companies in the JV, and/or their subcontractors, be used to meet the minimum qualification requirements of the RFP.	See RFP Paragraph 3. Minimum Qualifications of Proposers and Paragraph 4. Minimum Qualifications of The Proposal.
11	Do subcontractors need to have their residential construction license in place at the time of the proposal submittal or just before construction begins.	<p>Subcontractor licenses are not required to submit a proposal.</p> <p>Per the RFP Attachment 9 section 5.B.2.1.3, "CM" provides a team of licensed, bonded, and insured contractors to provide construction services for those applicants who choose Solution 1 and 2.</p> <p>Per the RFP Attachment 9 section 5.A.2, "CM" Enter into contracts with all subcontractors required to operate the program within thirty (30) business days of the start date of the Agreement resulting from the CM RFP. All contracts must adhere to federal procurement standards.</p>
12	<p>That requirement is: Describe all major engagements during the past five (5) years in which the Proposer has rapidly implemented construction management, including the oversight of construction design-build and MHU delivery services of a CDBG and/or CDBG-DR homeowner rehabilitation/reconstruction program with annual expenditures of at least of \$5 million</p> <p>Is there consideration from the State to edit this requirement to make it a "\$5 million in expenditures over a 5-year period" as opposed to the current RFP requirement of "annual expenditures of at least \$5 million"?</p> <p>By adjusting this requirement, you will provide the opportunity to qualified contractors to participate in this program and increase competition and resources for this project.</p>	No.
13	<p>(Page 19 of RFP) Do subconsultants need to provide 3 years of audited financials?</p> <p>Of the Attachment forms (Attachment 2, Attachment 5, Attachment 7, and Attachment 8), which, if any, are also required of subconsultants?</p>	See RFP paragraph 5.C.2., The Proposer shall describe its firm by providing its full legal name, date of establishment, type of entity and business expertise, short history, current ownership structure any recent or materially significant proposed change in ownership, and copies of the previous three (3) years' financial statements, preferably audited.
14	Are you requesting the cost for Construction Management (CM) services only, or the cost to perform the Construction Management plus the cost for actual Construction execution?	Please see Attachment 3 in the RFP.

15	<p>If you are requesting costs to perform actual construction work: are you requesting cost per square foot or the total cost to perform the construction of a house?</p> <p>How can we determine the cost of construction without knowing the extent of the work?</p>	Please see Attachment 3 in the RFP.
16	<p>Design Services costs: Are you requesting design cost per square foot or the cost to design a whole house? or our percentage fees per the total design costs of the house?</p> <p>How can we determine the design cost without knowing the extent of the work?</p>	Please see Attachment 3 in the RFP
17	<p>How does HCD structure/process the progress and final payments for Solution 1 project?</p> <p>For any completed work, does HCD pay the Owner or Contractor?</p> <p>If HCD pays the Owner, how can the contractor guarantee the Owner will pay them?</p>	<p>Please see Attachment A section 11.2 Draw Request Process.</p> <p>Additionally, Section 8.7 of Attachment A is incorrect where it says the Program will pay homebuilding contractors directly. The correct language is: <i>the CM Contractor will pay all homebuilding contractors. The Program will reimburse the CM Contractor on approved invoices detailing those payments.</i> (Corrections to section 8.7 will be included in V1 of the OOR Policies and Procedures to be posted on HCD's website in October)</p>
18	<p>Abatement of lead-based paint & asbestos: How can we determine the cost of "abatement" if the extent of work is unknown?</p>	See Attachment 3 for parameters within which the cost estimate is to be completed.
19	<p>MHU Replacement: Are you requesting the actual cost to replace MHU single, double, and triple wide or the Construction Management costs to handle the replacement project?</p>	See attachment 3 for cost proposal.
20	<p>Are these projects prevailing wage projects?</p>	All projects in California funded with public money are required to follow prevailing wage law.
21	<p>Can a proposer use the experience of its owners from a commonly-owned company to qualify for this procurement?</p>	See RFP Paragraph 3. Minimum Qualifications of Proposers.

22	Is the majority of the work going to be rehabilitations or reconstruction?	Program anticipates the majority of the work to be reconstruction.
23	When does the transition of work from Horne get picked up by the selected CM in the scope of services?	See RFP Attachment 9 for the CM scope of work. Case management scope of services and CM scope do not overlap. All construction work will be carried out in conjunction with case management.
24	What is the estimated housing stock over the 300/100 from the previous pre-bid conference?	See Attachment 3: Per Grant Award (Unit) Cost - Assume 400 Units to be Rehabilitated/Reconstructed/Replaced at an average Grant Award of \$75,000. Of the 400 units, assume 100 will be MHU replacements. Assume 50 units will require lead-based paint and asbestos testing and inspection.
25	<p>On page 13 of 95: Minimum qualifications of proposers A. <i>The proposer must demonstrate construction management experience including at least two (2) consecutive years of satisfactory experience, within the last five (5) years, where Contractor was <u>fully responsible for design-build construction management of the construction and building aspects of a homeowner assistance program funded with CDBG-DR funds.</u> Contractor's experience should include the management of the reconstruction stick-built homes and delivery of mobile-home units.</i></p> <p>My question: I completed [projects that] were funded by CDBG, HOME, and CALHOME funds but I did not do any work that is funded by CDBG-DR funds, so do I qualify to apply for this RFP?</p>	HCD will complete the administrative review and evaluate the qualifications of the proposer after a proposal is submitted.
26	On page 38 of 95: Required forms and documentation Financial reports from the last three-years. I am in the process of establishing my new LLC company for Construction Program Management Services and I do not have three years of financial statements. My question: Will this prevent me from winning a contract with HCD?	See RFP paragraph 5.C.2., The Proposer shall describe its firm by providing its full legal name, date of establishment, type of entity and business expertise, short history, current ownership structure any recent or materially significant proposed change in ownership, and copies of the previous three (3) years' financial statements, preferably audited.
27	In the cost proposal form (Attachment 3), is the purchase price of the MHUs themselves to be included in the cost schedule?	No, See Attachment 3.

28	In the cost proposal form (Attachment 3), are the actual transportation costs to transport the MHU from the manufacturer to the individual installation site to be included in the cost schedule?	All cost estimate information are provided in Attachments 3 and 3A.
29	Is there documentation where the definitions clarify the roles between "Prime Construction Management Firm" vs "General Contractor".	See Attachment 9 Scope of Work.
30	Can HCD provide for our review a copy for the Homeowner Grant Agreement that would be required for each applicant to sign before construction begins?	No. At this time, the Grant Agreement is still in development.
31	<p>If a team is submitting as a JV entity, does the JV need to be formally in place at the time of submittal or is it acceptable to confirm the JV upon contract award?</p> <p>During proposal submittal is an agreement letter sufficient for the JV entity?</p>	Yes, an agreement letter is sufficient.
32	Will the homeowner grant agreement indemnify the general contractor from any and all claims, losses, damages or liability arising out of, or in any way related to, the CDBG-DR Award, or any other act or failure?	No.
33	Is the Contractor or Subcontractor(s) free to negotiate the form and terms of the construction / home improvement contract entered into with the Homeowner?	No. An agreement between the CM and the Applicant will be developed (with Program and Department Approval) after the CM signs their Contract with the State.
34	Will HCD require or preclude any other terms in the home construction / improvement contract with the homeowner in addition to requiring the 1-year express written limited warranty?	Yes, in addition to compliance with Program requirements, HCD will require compliance with all applicable Federal (including HUD and CDBG-DR), State and Local codes, laws, rules, and regulations.

35	The RFP indicates that Solution 2 homeowners must do their own Tier 2's and yet the cost form includes costs to do Tier 2's, lead and asbestos inspections for Solution 2 homeowners. Please explain how the Solution 2 applicants would retain and work with the selected Contractor for all aspects of the program, specifically with respect to Tier 2's, lead and asbestos inspections;	See solution 2 in definitions, see attachment 3A for solution 2, and attachment 9 solution 2. In part: "The Proposer will review applicant-provided plans and contractor bids to approve and ensure cost reasonableness, complete construction monitoring and oversight, complete milestone inspections, and provide environmental services for the construction of the home."
36	Please provide a copy of the Tier I environmental review and the Tier 2 checklists to be used for the program;	HCD is still in the process of completing the Tier I environmental reviews. There is no Tier 2 checklist, the CM would be responsible for developing the Tier 2 procedures and report format based on the findings of the Tier 1 reviews and HUD and California environmental requirements, as applicable.
37	Are the homes and MHUs occupied? Please provide any breakdowns or assumptions on occupancy.	Program will confirm occupancy status at the time of application.
38	Based on the description of activities, it does not appear that any of the actions for this program will involve subsurface disturbances outside out the previously disturbed footprint of the structure and utilities including replacement of MHUs. Please confirm this.	Needed activities will be determined by inspection and must be compliant with Program regulations and policies.
39	Will replacement MHUs be placed at the same locations as the damaged MHUs? If not, will the new MHU locations also require a Tier 2 environmental review?	Tier 2 environmental reviews are required per site-specific conditions to determine if the proposed construction action has a significant impact on the environment based on Review Topics from 24 C.F.R. part 58 if on the same location or different.
40	Will the damaged MHUs that are being replaced require any lead or asbestos inspections?	If demolition and waste disposal are required then appropriate waste profiling and disposition will be required, including for any asbestos-containing materials and lead-based paint.
41	Will the lead inspections/risk assessments and asbestos inspections require review and approval by state and local agencies (i.e., Cal DHS, Cal OSHA, various Cal Air Quality Districts)?	If lead-based paint and asbestos-containing materials surveys are required on individual sites, all work must be performed by qualified professionals in accordance with all state and federal regulations.

42	Please elaborate on the scope of work for what the agency refers to as an asbestos "screening" as compared to an asbestos investigation per state and federal regulations.	All asbestos-containing materials investigations, surveys, and disposal work must be performed in accordance with all state and federal regulations.
43	Based on the pre-1978 date, it appears that both asbestos and lead inspections will apply for all structures built prior to that date. Please confirm.	Yes
44	Please confirm which, if any, Programmatic Agreements with the California State Historical Preservation Office (SHPO) and various Native American Indian Tribes (THPOs) will apply for environmental reviews under this program.	HCD is not aware of any specific Programmatic Agreements between the SHPO and Native American Tribes that apply for environmental reviews under this program. All responses from Tribes during consultation as part of the Tier 1 environmental reviews will be provided in those reports.
45	The RFP assumes only 400 units with only 50 units needing lead or asbestos inspections; however, the total number of homes affected by these two fires exceeds 7,000. Is this a minimum number and does Cal DHS have an upper end estimate of the numbers of units that could be evaluated over the life of this contract?	All cost estimate information is provided in Attachments 3 and 3A.
46	Does the contract anticipate and allow for adding other environmental services that may be needed in special situations (e.g., wetland delineations, cultural resource or archaeological surveys, noise studies, sensitive species assessments, Phase I and Phase II ESAs, floodplain analysis, environmental permitting or other services)?	HCD does not anticipate that extensive additional environmental studies, such as the examples cited, will be required for these OOR projects. However, the Tier 2 reviews will identify any of the few cases where this additional work may be required.
47	What particular COVID-19 procedures and restrictions apply to home visits, particularly inspections involving contact with surfaces and collection of samples for lead-based paint and asbestos inspections? Do these procedures apply to both occupied and non-occupied (vacant) structures?	For HCD-issued guidance, memos, resources, and announcements related to COVID-19, visit HCD's COVID-19 webpage at https://www.hcd.ca.gov/coronavirus19/
48	In the event a proposed activity does not meet any of the actions evaluated in the Tier 1 environmental review for this program, a Tier 2 level of review would be assumed to no longer apply. How does the agency plan on handling these situations/applications from an environmental review standpoint?	The Tier 1 environmental reviews evaluated the OOR program as a whole and no activities outside of the described program should take place. In the event that any such activity was identified and approved by HCD, it would be subject to environmental review.

49	<p>Has the agency made any agreements, obtained any approvals or developed any waste profiles for the classification or disposal of waste materials including housing/MHU materials, ash and/or soil?</p> <p>If not, what specific responsibilities for management of any wastes will apply to the Contractor other than collection, transportation and disposal of materials at a permitted facility on behalf of the State? Who will be the actual "RCRA generator" of the wastes?</p>	<p>All waste classification and disposal activities are the responsibility of the CM. The CM will have to provide documentation of all waste disposal receipts to HCD, if needed.</p>
50	<p>Has the agency obtained any approvals, permits or authorizations from federal, state or local environmental agencies for air emissions, water discharges, waste generator notifications or CEQA exemptions that would specifically apply to this program or similar programs? If not, will the Contractor be responsible for obtaining these permits or authorizations?</p>	<p>The OOR program is exempt from CEQA, with the exception of any site-specific projects that the Tier 2 environmental reviews identify significant environmental impacts. The CM will be responsible for identifying and obtaining all environmental permits for site-specific projects on behalf of HCD.</p>
51	<p>Is the financial information such as Audited Financials also required of subconsultants as well as the proposer? If so, may the subconsultants provide this information directly and privately to CAL HCD?</p>	<p>No. Audited Financials are only required of the proposer.</p>
52	<p>Re: Page 45 Of 95 of the RFP - For MHU replacement projects, the Contractor will provide the applicant with a proposed MHU layout, finishing options, and final pricing to determine the total turnkey MHU replacement cost, including the housing unit, delivery, and installation costs. The Contractor will be responsible for all necessary site demolition, site preparation, and installation of the MHUs and associated equipment, including heat/air conditioning, skirting and utility and appliance connections. Before and during construction, the Contractor will be responsible for obtaining all required permits from local, state and other agencies required by law.</p> <p>1.Are we correct that the proposer is NOT required to actually purchase the MHU from the manufacturer?</p> <p>2.Are we correct that the proposer facilitates the MHU replacement and works with the HAPM to facilitate purchase of the MHU by HCD and/or the HAPM?</p>	<ol style="list-style-type: none"> 1. No. The proposer will be responsible for all, acquisition and full delivery of the MHU replacements. All Program procurement requirements must be followed. 2. No. The scope of work for the CM Contractor includes acquisition (per Program procurement requirements) of the MHUs in addition to site prep and installation. <p>Please see the full Scope of Work in Attachment 9.</p> <p>Also see Attachment A, Section 3.1.4</p>
53	<p>Would it be possible to include my company on that [interested parties for Teaming on the Construction Management RFP] list? We are a licensed general contractor, holding a current B license, and we do new construction.</p>	<p>Yes.</p> <p>To be include in the interested parties list, please complete the Survey by October 22, 2020 – links below.</p> <ul style="list-style-type: none"> - To fill out the survey in English, Click Here [surveymonkey.com] - Para completar la encuesta en Español, Haga Clic Aquí [surveymonkey.com]

<p>54</p> <p>This question is in relation to performing environmental reviews for disaster recovery under HUD's regulations for homes affected by the wildfires in late 2017 (DR 4344 and 4353). Question: Is there a Programmatic Agreement in place for performing NHPA Section 106 reviews that HCD has signed onto for these disasters (e.g., typically HCD would have signed an addendum to a PA between FEMA and Cal SHPO)? If so, can you provide a link?</p> <p>Follow ups:</p> <ol style="list-style-type: none"> 1. Is it HCD's intent to sign either an agreement or an addendum to any of the existing PA's then for these disasters? 2. Is it HCD's intent to provide the information or free access to the necessary databases for SOI qualified persons to perform the Section 106 reviews given those fairly substantial costs for individual searches? 		<p>HCD does not have a PA in place</p> <p>Follow ups:</p> <ol style="list-style-type: none"> 1. There is no current plan to sign an agreement or addendum to any of the existing Programmatic Agreements for these disasters. 2. Responsibility for performing appropriate National Historic Preservation Act Section 106 reviews will be the responsibility of the CM as a reimbursable cost.
<p>55</p> <p>I am a builder and licensed general contractor here in California. I found out about your program from the CSLB mailing list. The reason I am writing you today, is to inquire about how I can potentially help the rebuilding efforts due to the recent and past wildfires in northern CA.</p> <p>I have been personally affected by the recent Glass Fire, because a home we were building in St. Helena CA completely burned down. We lost all of our tools in the fire, and obviously the project is on hold as well.</p> <p>This has freed up quite a bit of capacity in my company, that could possibly be put to use helping homeowners rebuild. Do you have any resources at your disposal, to possibly help match up my company with homeowners in need of rebuilding their homes?</p>		<p>Please see answer to Question 53.</p>
<p>56</p> <p>I would like to know if my company can register to bid on projects thru this program.? I am General B contractor.</p>		<p>There is no requirement to register to bid. We simply had interested parties sign up on a list if they wanted their contact information shared so interested parties could team up on a proposal if they wanted to. Please see Question 53.</p>
<p>57</p> <p>After reviewing the pricing information included in Attachment 3, I wanted to clarify a pricing question for Lead-Based Paint inspections. Should a prospective bidder include the cost of a potential Lead Clearance Inspection in the unit pricing sheet currently provided or will HCD be breaking out this component with an individual line item?</p>		<p>Please see answer to Question 18. See Attachment 3 for parameters within which the cost estimate is to be completed.</p>

58	Are Subconsultants required to submit the same forms and legal information as outlined in Attachment 1: Proposal Checklist and a "Sufficient Proposal Will Include", as the Prime Proposer.	See RFP Paragraph 3. Minimum Qualifications of Proposers and Paragraph 4. Minimum Qualifications of The Proposal.
59	Please clarify: is the "Proposer" defined as the Prime and not the team of subconsultants.	Yes
60	We understand from the Pre-proposal meeting that teams can use the California General Contractor license from a subconsultant. Would HCD permit the use of the California General Builders Contractor License from a 2nd tier subconsultant with a teaming agreement in place with a 1st tier subconsultant on the Proposer's team.	No