

Preservation through Smart Rehab Program/Weatherization Guidelines for Design Professionals

Revised 3/15/11

The following is a brief explanation of the Preservation through Smart Rehab/Weatherization program and our expectations for architectural/engineering services.

If your firm has not been approved by PHFA to participate in the Preservation through Smart Rehab program you must first submit a completed Architects Qualification Statement (AIA Document B305) for evaluation and approval. The projects referenced in the Qualification Statement should only be those pertaining to energy conservation work, and must include a detailed description of this work. This should be forwarded to Stan Salwocki at ssalwocki@phfa.org.

An energy audit has been prepared for the subject property by a PHFA approved multifamily auditor. The audit has evaluated numerous energy conservation and health/safety measures and a list of recommended measures has been compiled. PHFA has reviewed this list and made its recommendation to the building owner in a Scope of Work and Financing Proposal, which has been accepted by the owner.

The primary funding source for the work is the Weatherization Assistance Program (WAP). PHFA and the Owner will contract with a general contractor to implement the measures evaluated and recommended in the energy audit and approved by PHFA. The design professional is required to produce the contract documents necessary for the bidding and completion of the proposed work.

Some examples of commonly recommended measures are:

- Replacement of incandescent lamps with compact fluorescent lamps (CFLs)
- Replacement of T-12 fluorescent lamps and magnetic ballasts with T-8 lamps and electronic ballasts
- Installation of occupancy sensing controls on lighting systems in common areas
- Replacement of incandescent exit signs with LED type
- Installation of low-flow aerators on faucets
- Replacement of shower heads with low-flow type
- Air sealing of building envelope, attic plane and vertical chases
- Replacement of refrigerators
- Replacement of individual furnaces, air conditioners and PTAC units
- Replacement of central heating and domestic water heating systems
- Replacement of HVAC controls

The design professional must first become familiar the energy audit and understand the intent of the recommended measures identified in the audit and listed in the Scope of Work and Financing Proposal prepared by PHFA. It is recommended that any questions or concerns about these measures be discussed with the energy auditor and PHFA.

The bid packages must be developed for general contractors based on the approved measures. All measures specified must match those recommended in the audit precisely in terms of scope of work. This is required because the weatherization program mandates that each energy saving measure implemented must be shown to save enough money over its life to pay for itself (that is, it must have a Savings to Investment Ratio (SIR) of at least 1.0). The SIRs will be recalculated for each measure after bids are received to determine eligibility for WAP funding.

Only those measures recommended by PHFA and evaluated in the audit report may be included in the scope of work. If additional measures are to be considered, the audit must be amended to evaluate these measures, they must achieve a favorable SIR, and a revised table of recommended measures must be submitted by the auditor.

Time is of the essence. The Weatherization Assistance Program is being funded through the American Recovery and Reinvestment Act (ARRA). As such, there are timelines to spend the money and milestone dates and production goals that must be met in order for PHFA to receive its full allotment of funds. Therefore, we are requesting that bid documents be prepared as quickly as possible. **Completed bid packages shall be submitted to PHFA for review no later than 45 days after contract signing**

Professional Fees

Professional fees shall be broken down into the following components: Contract Document Preparation, Bid Procurement, Construction Contract Administration, site visit cost, and reimbursables estimate.

- The Contract Document Preparation fee shall include the preparation of a bid package, as well as all transportation and communication costs associated with this phase.
- Bid Procurement shall include preparing the Invitation for Bids, solicitation of contractors, conducting a pre-bid conference, responding to contractor questions, and issuing of any addenda needed.
- Contract Administration shall include preparation of the construction contract, review of submittals, responding to contractor questions and requests for information, and preparation of change orders.
- In addition, an all inclusive cost per site visit during construction shall be given, which shall include transportation, communication, professional time, and all cost associated with issuing meeting minutes and reviewing contractor applications for payment.
- Lastly, an estimate of reimbursable costs shall be included. This should include the cost of the advertisement for bids, printing, paper and miscellaneous costs.

Where multiple projects are listed under one bid solicitation number, a proposal must be provided for each project listed. Bids will be evaluated based on the combined cost for all projects included under the solicitation number.

Contract for Professional Services

The contract for professional services will be AIA B101-2007 or B104-2007 Standard Form of Agreement between Owner and Architect (executed by the owner and design professional) along with the PHFA Preservation through Smart Rehab Program Architect Agreement (executed by PHFA, owner and design professional) which can be found at <http://www.phfa.org/developers/preservation> .

Specifications/Scope of Work and Drawings

A sufficient description of all products, materials, and equipment must be provided to assure that bidders are quoting prices on goods of equivalent quality. Particular attention should be paid to specifying the energy use and energy efficiency requirements of products.

Performance specifications should be provided. It is recommended that specific products that satisfy the performance requirements be listed whenever possible. All make and model numbers should be followed by the words "or Architect approved equal".

Design/build bid packages are **not** allowed.

A full 3-part CSI format specification may not be required in many cases. The amount of detail required in the specifications should suit the work proposed. Where an existing product is being replaced with a more efficient product, a brief scope of work may be all that is required, including a description of the new product, efficiency information, along with make, model number and quantity. Where new systems are being proposed, a more complete specification including all components, accessories and controls will be required.

All new mechanical equipment must be sized by, and all new mechanical systems must be designed by a professional engineer licensed in Pennsylvania. HVAC equipment shall be sized in accordance with ACCA Manuals J and N as applicable. The specifications shall include all accessories and appurtenances required for a complete and functional installation that is able to achieve the energy efficiencies required by the energy audit. Where new boilers or unfired pressure vessels subject to state regulation are proposed to be installed, approval by the Pennsylvania Department of Labor and Industry shall be obtained as part of the professional services contract and all costs included in the Contract Document Preparation fee.

Materials shall be referenced to the Weatherization Assistance Program Appendix A – Standards for Weatherization Materials where applicable.

Drawings are not required for much of the work proposed and should only be provided where necessary for bidders to accurately quote prices or understand the scope of work. (i.e. replacement of faucet aerators does not require a drawing. Stating on which fixtures they should be installed and a quantity of devices required is sufficient) 8½" x 11" or 11" x 17" drawings incorporated into the specifications may suffice in many instances where drawings are necessary.

Where refrigerators are scheduled for replacement, the bid cost must include the removal and decommissioning of the old refrigerators. Refrigerant recovery must be performed according to EPA guidelines. Documentation certifying that the decommissioning has been performed and listing the serial number of each appliance decommissioned must be provided before payment will be made to contractor. Refrigerators replaced in handicapped accessible units must meet the accessibility requirements.

Where faucet aerators and shower heads are being replaced with low-flow types, keep in mind that the plumbing fixtures in accessible units are usually not the same as those in the typical units and different products may need to be specified for these units.

Where appliances, air conditioners, PTAC units, furnaces, or other equipment are recommended for replacement, keep in mind that the auditor based this recommendation on observations made in a sampling of the units (sometimes as few as 10% of the total). It is typical that some equipment would have been replaced over the years, and would already be energy efficient and not qualify for replacement. On site inspection, as well as coordination with the owner's maintenance staff and the auditor will be required. The specifications must indicate the specific quantity of items to be replaced.

General Requirements

Each bidder is required to complete AIA Document A305 Contractor's Qualification Statement and include it with his bid. **The projects listed in Section 3.5 of the Qualification Statement should be only those projects with a scope of work similar to that of the proposed project.** Each project shall include a contact person from the building owner along with contact information. In addition, the low bidder will be required to submit a current financial statement. The successful bidder must be approved by PHFA based on a review of the Qualification Statement, financial statement, and references provided along with an inspection of the referenced projects. If a bidder is not approved, this same procedure will be followed for the next lowest bidder, until a bidder is approved.

All workers must be paid a wage rate that is not lower than the Davis/Bacon wage appropriate for the worker's classification. Labor costs for all work paid in whole or part by WAP must be bid accordingly. For any building five stories in height or taller, Davis Bacon "building" rates are applicable. For buildings less than five stories in height, the "weatherization" and "residential" rates are applicable. The construction contract between PHFA, the owner and the general contractor, as well as all contracts between the general contractor and the sub-contractors must, without exception, include the Davis/Bacon Act Requirements, in their entirety. Each entity for which this requirement is applicable must complete a Statement and Acknowledgement, Standard Form 1413. A copy of the act requirements, form 1413 and the Weatherization wage determination can be found at <http://www.phfa.org/developers/preservation> . Davis Bacon regulations require that workers be paid at least weekly. The contractor shall submit weekly certified payroll reports beginning with the first week that the contractor or any subcontractor works on the development and every week thereafter until construction is completed.

Buildings built prior to 1978 in which children under the age of six may reside, must comply with the requirements of the EPA's "Renovation, Repair and Painting" final rule, unless certified to be lead free. In addition, some buildings must comply with HUD's "Lead Safe Housing Rule". See the Preservation

through Smart Rehab – Lead Based Paint Requirements which can be found at <http://www.phfa.org/developers/preservation> .

In compliance with the National Historic Preservation Act, the following activities, when performed on a building over 50 years old, require consultation with the State Historic Preservation Office (SHPO):

- Changes to the exterior appearance of a building,
- Replacement of original (non-replacement) windows or doors on facades visible from the street,
- Replacement of any window or door with a new window or door of a different size shape, or placement from the original.

SHPO Review Information and Forms can be found at <http://www.phfa.org/developers/preservation> . This review should be coordinated with the owner, as the consultation may have already taken place and a decision rendered.

There are no requirements for bonds, liquidated damages, or retainage imposed by PHFA. However, the Owner may require any of these at their discretion.

The contractor shall provide evidence of Commercial General Liability insurance equal to or greater than:

- Minimum limit of \$1,000,000 per occurrence and \$2,000,000 aggregate liability, or
- An amount acceptable to the PHFA and owner

Bid Form

Construction bids shall be submitted on a bid form developed by the architect.

A bid price must be requested for each measure recommended by PHFA and it must directly relate to one of the measures evaluated in the audit (the scope of work must match that described in the audit).

The price for each measure must include the work of all trades required to implement the measure (i.e. general, mechanical, and electrical construction, as well as general requirements, profit, overhead, permits, inspection fees, etc.)

Bids must include prices for each measure. Partial bids will be rejected.

Time is of the essence in completion of the contract. Therefore contractors should be requested to indicate the time required to complete the work in their bid.

The bid form must include the following statement: It is the intention to award a contract for all of the measures included on the bid form. However, the Weatherization Assistance Program will fund only those measures that save enough money to pay for themselves over the life expectancy of the measure (those that provide a Savings to Investment Ratio (SIR) of 1.0 or greater). The SIR of each measure will be recalculated after bidding using the bid price, to determine which measures qualify for funding. If the SIR is less than 1.0, weatherization will pay for the amount that results in an SIR of 1.0, if other funding is available to pay for the remainder of the cost. If other funding is not available, there is no guarantee that all of the measures included on the bid form will be included in the construction contract. By submitting a bid the contractor indicates acceptance of this condition.

Bidding

One completed bid package (hard copy) must be submitted to PHFA for review and approval prior to bidding. Bid packages shall be sent to Brian Shull, PA Housing Finance Agency, 211 North Front Street, Harrisburg, PA 17101.

The design professional shall prepare an Invitation for Bids for prospective contractors and forward a copy to PHFA (a draft copy should be included with the bid package mentioned above). The design professional is responsible for advertising the Invitation for Bids in the local newspaper. Proof of publication shall be forwarded to PHFA. PHFA will also post a copy of the Invitation for Bids on its website. If the owner or design professional is aware of contractors that might be interested in bidding on the project they should be made aware of the bidding opportunity.

Bids from at least 2 bidders are required. It is suggested that at least 4 or 5 contractors be contacted to assure that 2 bids are received.

PHFA will outreach to MBE/WBE/DBE firms when soliciting contractors. Outreach to MBE/WBE/DBE firms must be made and documented when contractors are soliciting subcontractors.

All bids shall be sealed and publicly opened at a location determined by the owner and design professional.

An electronic copy of all bids and a bid summary shall be sent to Brian Shull at bshull@phfa.org.

Construction Contract

The construction contract that will be executed to perform the work is AIA Document A101-2007 "Standard Form of Agreement between Owner and Contractor Where the Basis of Payment is a Stipulated Sum" (executed by the owner and contractor) along with the PHFA Preservation Through Smart Rehab Program Construction Agreement (Executed by PHFA, owner and contractor). A copy of the PHFA Construction Agreement can be found at <http://www.phfa.org/developers/preservation> . This document should be referenced in Article 9.1.3 or 9.1.7 of the AIA contract.

Closing Requirements

For closing, four original construction contracts and PHFA Construction Agreements shall be prepared for execution by the Owner, Contractor and PHFA. The fourth contract shall be for the architect's records.

At closing two complete sets of drawings and specifications shall be submitted to PHFA for their use during construction.

Contract Administration

Contract administration services are required, including the following:

- Attendance at job conferences and providing construction observation services periodically as required, but not less than once every two weeks. Should the construction timeframe be less than four weeks, an initial, intermediate and final site visit will be required.
- A brief inspection report should be prepared after each job conference and distributed to all appropriate parties indicating progress, scheduling of future work, and any discussion items.
- Review and comment on all submittals made by contractor.
- Review and approval of contractor prepared applications for payment on a monthly basis (AIA Forms G702 and G703 shall be required). Payment amount recommendations shall be made to the PHFA field representative. Payment to contractor will not be made until all weekly certified payroll reports for this time period have been submitted to and approved by PHFA.
- Preparing change orders and responding to Requests for Information as required throughout the project to provide a finished product that meets the intent of the energy conservation measures recommended by the energy audit and PHFA.

If there are questions concerning any of the above information, please contact:

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