

CHAPTER 7. IMPLEMENTATION

* 7-1. HUD-ESTABLISHED THRESHOLDS AND PHA CERTIFICATIONS. Based on an assessment of PHA past performance in modernization and PHA technical capability, the Field Office may establish dollar thresholds for each of the following five activities, over which the PHA shall submit documents for prior Field Office review and approval: execution of architectural/engineering (A/E) contracts; solicitation of sealed bids; issuance of construction change orders; execution of budget revisions; and execution of management and professional service contracts and related change orders. Where the estimated values of these activities are below the HUD-established thresholds, the PHA may proceed without prior Field Office approval if the PHA certifies in writing that all HUD requirements have been met. The Field Office shall notify the PHA of its established thresholds in the letter approving the CIAP Application. See paragraphs 8-5, 9-6, 9-23c, 9-36, and 10-11. HUD-established thresholds for a PHA shall apply to all previously approved modernization and shall be reviewed at least annually and revised as appropriate. For alternative requirements for recognized non-Indian performers, refer to Chapter 11 of the Field Office Monitoring of PHAs Handbook 7460.7 REV-1. *

7-2. PROJECT IMPLEMENTATION SCHEDULE.

a. Requirement. Within 60 calendar days after notification of CIAP Application approval, the PHA shall submit to the Field Office, Attention: Chief, Assisted Housing Management Branch (AHMB), its schedule for implementing the physical and management improvements at each project approved for modernization. In developing the Project

* Implementation Schedule, the PHA should consult with the General Engineer and Housing Management Specialist and carefully consider the national norms for the physical improvements, as set forth in subparagraph c, in relation to its local situation. The PHA should be aware that performance against its approved Schedule(s) will be used by the Field Office to measure modernization capability in future years. *

b. Coverage. Each Project Implementation Schedule shall address the following key implementation steps:

- (1) A/E Contract Award. This step addresses the award of the A/E contract for each project approved for

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* modernization. For force account work, this step addresses the start of development of detailed work plans.

- (2) Bid/RFP Advertisement. If there will be multiple contracts, this step addresses the solicitation of sealed bids and the advertisement of request for proposals of the first construction and the first management contract, respectively. For force account work, this step addresses the start of the first work item.
- (3) Contract Award. If there will be multiple contracts, this step addresses the award of the last construction and the last management contract; i.e., when all funds will be obligated. For force account work, this step addresses the start of the last sequentially unrelated work item.
- (4) Contract Completion. If there will be multiple contracts, this step addresses the completion of all construction and management contracts; i.e., when all funds will be expended. For force account work, this step addresses the completion of all force account work and expenditure of all funds.

c. National Norms. The following table shows the national norms for the key implementation steps. THESE NORMS ARE GUIDES ONLY AND ARE NOT MANDATORY. However, it is expected that projects funded at under \$5,000 per unit will take less time to complete than the time indicated by the national norms. The PHA may justify longer time frames by local differences in work scope and complexity, construction seasons, material or equipment supply, State or local contracting requirements, etc.

Key Implementation Steps	Emergency/			*
	Homeowner. Emergency	Special Purpose	Homeownership	
First A/E Contract Award	2 mos.	3 mos.	3 mos.	
Bid Advertisement of First Contract	5 mos.	7-10 mos.	7-10 mos.	
Award of All Contracts (All Funds Obligated)	7 mos.	9-12 mos.	9-12 mos.	
Completion of All Contracts (All Funds Expended)	1 yr.	2 yrs.	2-3 yrs.	

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Key Implementation Steps	Single-Stage Comprehensive	Two-Stage
		Comprehensive (First/Second)

First A/E Contract Award	3 mos.	3 mos./3 mos.
Bid Advertisement of First Contract	10-16 mos.	7-10 mos./10-16 mos.
Award of All Contracts (All Funds Obligated)	1-1 1/2 yrs.	9-12 mos./1-1 1/2 yrs
*		
Completion of All Contracts (All Funds Expended)	2 1/2 yrs.	2 yrs./2 1/2 yrs.

Note: Months/years are counted from the end of the FFY in which the funds were reserved.

- d. Multiple Contracts. The PHA is encouraged to develop a Project Implementation Schedule for each contract where a project will have multiple contracts. The Field Office may require the PHA to develop more detailed Schedules where the PHA has had implementation problems in the past.
- e. Field Office Review and Approval. The Field Office shall review the PHA's Project Implementation Schedule(s) and, within 10 working days of receipt, either approve, with or without modification, or disapprove. Before modifying a Schedule, the Field Office shall discuss any changes with the PHA and try to reach mutual agreement. The Field Office shall not approve a Schedule where the target date for all funds expended exceeds five years from the end of the FFY in which the funds were reserved.
- f. PHA Provision to Residents. After Field Office approval, the PHA give to residents at the project(s) being modernized a copy of the approved Project Implementation Schedule(s). *
- g. PHA Reporting. During implementation, the PHA shall report its progress against the Project Implementation Schedule(s) in the "Comments" column of Form HUD-52826, Schedule/Report of Modernization Expenditures, submitted quarterly to the the Field Office (see paragraph 10-5).
- h. Field Office Monitoring. During implementation, in conjunction with its regular monitoring, the Field

Office shall monitor PHA progress against its Project Implementation Schedule. Where the PHA is having difficulty in adhering to its schedule, the Field Office shall promptly provide technical assistance.

- * i. Revision. If the PHA misses a target date for one of the first two key implementation steps, the PHA shall provide a written explanation to the Field Office on how it plans to catch up so that it will meet the next target date. If the PHA anticipates missing the target date for the third key implementation step (all funds obligated), the PHA may wish to consider requesting a time extension (see paragraph 10-8), where justified. Revisions to the Project Implementation Schedule will be allowed where there is a HUD-approved time extension. If the PHA fails to request, or requests, but is denied, a time extension, the unobligated funds will be recaptured after audit and future funding will be adversely affected by the PHA's demonstrated lack of modernization capability. *

7-3. PHA STAFFING. During Joint Review, the PHA and the Field Office shall agree on PHA need for additional staff to implement its proposed modernization program. It is essential that certain functions be performed to ensure modernization progress. However, filling the following positions may not be necessary if the functions are being performed satisfactorily by existing staff.

- a. Modernization Coordinator would be responsible for developing an overall plan and timetable for the implementation of approved modernization programs, including physical and management improvements. The Modernization Coordinator would establish internal administrative controls over key incoming and outgoing documents and PHA activities related to modernization. In addition, the Modernization Coordinator would be responsible for preparing Form HUD-52826, Schedule/Report of Modernization Expenditures, and the narrative report on management improvements on a timely basis, and for coordinating the requisitions for funds to the Field Office. Ordinarily, the Modernization Coordinator would report directly to the PHA's Executive Director.
- b. Contract Administrator/Construction Manager would be responsible for: procuring A/E services; overseeing the entire construction contract process, including preparing and issuing, subject to any required Field Office approval, all modernization contract documents

such as construction and bid documents, contract award, contract changes and time extensions, and contract settlement documents; resolving disputes and claims; and ensuring that target dates are met. The Contract Administrator/Construction Manager may report directly to the Modernization Coordinator or the Executive Director. Depending upon the size and complexity of

the construction contracts, the PHA may wish to assign these functions to two separate positions - that of Contract Administrator and that of Construction Manager.

- c. Clerk-Of-The-Works would be responsible for reporting to the Contract Administrator/Construction Manager all significant events that take place on the construction site. Reports should cover compliance with the contract documents by the contractor, and any deviation therefrom, quality of workmanship, timeliness of delivery of materials and of performance, need for contract changes and time extensions, and any construction problems which may arise. Also included in the Clerk-of-the-Works duties are the preparation of progress reports and charts and keeping daily logs of personnel working on the project, visitors to the site, materials delivered, and any other information that the Contract Administrator/Construction Manager determines is necessary for the proper administration of the contract. A full-time Clerk-of-the-Works is necessary only if the size of the construction project warrants it. Thus, depending upon the number of active modernization programs underway and their size, a PHA may have more than one Clerk reporting to the Contract Administrator/Construction Manager. If in the judgment of the Contract Administrator/Construction Manager, no Clerk is necessary, the functions of the Clerk as are appropriate may be performed by the PHA architect.

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