

AGENDA REPORT

TO: Mayor Pat Humphrey and the Clare City Commission
FROM: Ken Hibl, City Manager
DATE: March 17, 2016
RE: Selection of Third Party Administrator – Downtown Façade Grant

For the Agenda of March 21, 2016

Background The City is a recipient of a Community Development Block Grant (CDBG) to rehabilitate seven downtown building facades. This particular grant program requires that all Third Party Administrators must be formally certified by MEDC to allow reimbursement of costs associated with TPA services for the façade grant.

The City does not have any on-staff personnel qualified to administer the grant. Consequently, we solicited (*see copy of att'd public notice*) proposals for TPA services. We received one proposal (*copy att'd*) and one declination (*copy att'd*) to submit a proposal. The City staff has reviewed and scored the proposal using the criteria (*copy att'd*) outlined in the solicitation. Based on this review, the staff recommends that the City Commission accept the proposal and award the TPA services to Mid Michigan Community Action Agency (MMCAA).

Issues & Questions Specified Should the City Commission accept the proposals and award the TPA services?

Alternatives

1. Accept the proposal and award the TPA services to MMCAA.
2. Reject the proposal and direct that the City staff perform the TPA services.
3. Set this matter aside for further discussion, consideration, and decision at a future, scheduled meeting.

Financial Impact MEDC will compensate the selected TPA based on a percentage (5%) of the total grant award. The exact amount of that compensation has been designated as \$15,500; these funds will be paid from grant funds. Any costs above and beyond this amount must be borne by the City.

Recommendations I recommend that the City Commission approve the proposal and award the TPA services to MMCAA by adoption of the proposed Resolution 2016-031 (*copy att'd*).

Attachments

1. Notice for TPA Services.
2. Proposal Received.
3. Declination.
4. Scoring Criteria.
5. Resolution 2016-031.

REQUEST FOR PROPOSAL
CDBG ADMINISTRATIVE CONSULTANT



The City of Clare, Michigan is accepting proposals from qualified consultants for management and administrative services required by the City of Clare for administration of an awarded Downtown Building Façade Grant under the Community Development Block Grant (CDBG) Program, Grant No. MSC 215013-CDF. The project for which funds have been awarded consists of:

PART ONE: MANAGEMENT AND ADMINISTRATION
PART TWO: PROPOSALS
PART THREE: SELECTION CRITERIA

All proposals should be sealed and identified on the outside as;

City of Clare
ATTN: CDBG NO. MSC 215013-CDF, Administrative Consultant Proposal
Mrs. Diane Lyon, City Clerk
202 W. Fifth Street
Clare, Michigan 48617

Proposals will be considered by the City of Clare at a meeting to be held at 6pm on the 21st day of March, 2016. In order to be considered, proposals must be received by the City of Clare prior to noon on the 18th day of March, 2016. The City of Clare reserves the right to reject any or all proposals.

All proposals will be scored and ranked with the highest rated firm being awarded a contract.

Additional, detailed information regarding the level and scope of services required, instructions for submitting a bid for this proposal, and selection criteria may be obtained at Clare City Hall, 202 West Fifth Street, Clare, Michigan, Monday through Friday, 8 am to 5 pm. This information is also available on the city's website at www.cityofclare.org. The City of Clare is an equal opportunity provider and employer.

CITY OF CLARE
Request for Proposals
CDBG Administrative Consultant

Please see the following information in response to the Request for Proposals for a **CDBG Administrative Consultant** for the City of Clare Downtown Building Façade Project.

1. Business Organization

Mid Michigan Community Action Agency, Inc
1574 E. Washington Rd
P.O. Box 768
Farwell, MI 48622

Agency Contact: Jill Sutton, Executive Director
Email: jsutton@mmcaa.org
Phone: 989-386-0845

2. Project Team

Jill Sutton, Executive Director

Chad Hathcock, Finance Director

Sarah Adkins, Housing Manager

Mike Brennan, Housing Energy Auditor

3. Capacity to Perform Work

Mid Michigan Community Action Agency is a 501(c)3 non-profit organization serving Clare, Gladwin, Bay, Midland, Mecosta and Osceola Counties since 1966. The agency serves approximately 16,000 low and moderate-low-income people annually with over 20 different programs. Services include emergency heat and utility assistance, homeless prevention and rapid rehousing, home weatherization and rehabilitation, food commodities, homebuyer education, foreclosure prevention, early childhood education, senior housing and other self-sufficiency assistance. Beyond human service programs, the agency also provides economic and community development supporting local organizations to achieve goals. For example, the agency serves as the fiduciary for the City of Clare's Historic Depot Restoration Project as well as the county's Veteran's Freedom Park. At the present time, the agency offers fiduciary services to over 20 separate entities.

The agency worked closely with the City of Clare, Clare County, environmental firms, contractors, and other stakeholders in the development of a 24-unit senior housing facility in downtown Clare. Additionally the agency developed its administrative facility with similar partnerships on the Clare/Farwell City line demonstrating its ability for projects of a significant scale. Other major projects under the agency's wing have included the complete renovation and redesign of its multi-use Gladwin facility, Big Rapids facility and several multi-unit apartment buildings that received Weatherization services. In all cases, the agency staff contracted and worked with numerous providers to complete the necessary activities including architects, construction crews, HVAC vendors, electrical firms and many others to ensure the success of the final projects.

Through the administration of these programs, Mid Michigan Community Action has developed the capacity to coordinate large scale projects including the coordination of multiple contractors; ensure work performed meets program, contract and code requirements; and, complete all required fiscal and programmatic reporting.

The agency administers over 100 contracts from federal, state and local sources and utilizes a comprehensive fund accounting software to maintain fiscal integrity. The agency's fiscal capacity allows for the accurate and efficient administration of grants and projects in excess of \$10 million annually many of which are over the \$300,000 audit threshold. In FY2015, the agency's received an exemplary audit with no findings, no questioned costs, no material weaknesses or deficiencies and no instances of noncompliance.

Due to the nature of the agency's activities and numerous funding sources, documentation of all types is completed accurately and promptly to ensure that program and reporting needs are met timely and efficiently. Through these experiences, the agency is obligated to review and ensure that contractors are compliant with all paperwork requirements and regulations. The agency has also worked with Davis-Bacon/federal wage requirements and understands the purpose for on-site interviews and comparison of results. Additionally, the housing staff, assigned to the proposed project, are familiar with the State Historic Preservation Office (SHPO) requirements which are also required within the agencies Weatherization Program.

4. Statement of Project and Management Summary and Work Plan

The project involves the completion of the City of Clare's downtown façade grant program working in partnerships with committed property owners following all program rules and requirements. Sarah Adkins, Housing Manager will serve as the primary contact for the collection of documentation, invoices, online system maintenance, preparation and completion of required documentation. Ms. Adkins is certified as a Michigan CDBG Grant Administrator broadening her skills and knowledge to oversee the façade project. She also possesses certification in Lead-Free Work Practices and Indoor Air Quality. She has a Bachelor's degree in Family Community Services and is near completion of a Master's degree in Public Administration.

To assist in monitoring the construction and/or conduct compliance reviews with contractors, the agency's Housing Energy Auditor, Mike Brennan, will assist the Housing Manager with these

duties. He currently supports these components within the agency's Weatherization Program and works directly with the multiple contractors for this purpose. His qualifications include:

- Weatherization Inspector Certification
- Building Performance Institute (BPI) Building Analyst Certification
- ASHRAE 62.2 – 2010 Certification
- Furnace Testing Training
- Renovator Lead Certification
- HUD Visual Assessment Certification
- OSHA Certification
- Advanced Supervisory Skills
- Housing Quality Standards Training

Chad Hathcock, the agency's Finance Director, will be responsible for project fiscal reporting. He possesses a Bachelor's degree in Business Management with a major in Accounting. He is responsible for all of the agency's financial activities compliance. Jill Sutton, the agency's Executive Director, holds a Master's and Bachelor degree in Human Services, and will provide oversight of all project compliance. She currently oversees \$10 million in local, state, and federal contracts.

The agency proposes to assist the City in all required phases of the Downtown Building Facade Project, as listed in the RFP, to include, but not limited to, the following:

- Comply, coordinate and complete financial activities for the project to include all requests for payment, and utilization of acceptable financial systems;
- Assist the City in the maintenance of financial records for project requirements;
- Work with City Building Inspector, City Manager, and other designees to ensure all phases of the program are in compliance;
- Comply with all State and Federal rules and regulations in all aspects of the project;
- Monitor construction process;
- Process all required project documents;
- Review construction contracts to ensure compliance and collect necessary documentation;
- Review weekly payrolls to ensure compliance; conduct on-site interviews and compare results as applicable;
- Help maintain online systems and provide required reports for successful program completion;
- Work with City of Clare as a team to assure quality improvements to participating downtown businesses;
- Assist with conducting required public hearings and notices as applicable;
- Participate in monitoring and final paperwork of the project until grant closeout;

Mid Michigan Community Action will provide the City of Clare an invoice and report documenting actual costs of the project on a monthly basis. The agency will ensure that project costs do not exceed the project amounts inclusive of administrative costs to provide comprehensive oversight of the project.

5. Prior Experience:

The agency has significant experience in the area of housing and development including the operation/administration of the following: Weatherization (home energy conservation program), Housing Preservation Grants (HPG) through the USDA Rural Development, Community Development Block Grants (CDBG), Acquisition Development Resale (ADR) programs, and senior rental housing development. Through the administration of these programs, Mid Michigan Community Action has developed the capacity to coordinate large scale projects including multiple contractors, ensure work performed meets program requirements, and complete all required fiscal and programmatic reporting. The agency also maintains and owns multiple facilities to include the construction of its administrative building in Farwell.

Each year the agency weatherizes an average of 80 homes; however, from 2010-2012 the agency weatherized over 1,200 units utilizing over \$8 million of ARRA funding exceeding its required production for the period. All of the on-site work was completed with multiple contractors that were required to meet state and federal regulations specifically Davis-Bacon wage requirements.

The agency has served as the third party administrator for multiple counties utilizing CDBG funding for over 15 years; however, found it necessary to forego these smaller projects to allow for the enhancement of larger scale activities during the past few years. Considering the expansion of program staff and qualifications, the agency is now able to assist with more local activities bringing its skills and expertise to the City of Clare Downtown Building Façade Project.

6. References

Although the agency has not been under contract with the local CDBG administration during the last four calendar years as identified in the RFP, its contractual outreach is greater at State and Federal levels which is parallel to this expectation while also having local contracts with other providers. Please see the following list of references for this purpose:

- **Bureau of Community Action & Economic Opportunity** **517.241.0478**
Michigan Department of Human Services
 - Community Services Block Grant
 - Weatherization
 - LCA – Deliverable Fuel Program
Kris Schoenow, Director

- **Michigan Community Action** **517.679.6400**
MEAP – Metered Utilities
Kate White, Executive Director

- **Michigan State Housing Development Authority** **517.373.8370**
Homeless Programs
Nicole Schalow, Grant Manager

- **USDA Rural Development** **989.345.5470 x.4**
 Housing Preservation Grant
Liz Caldwell

- **Clare-Gladwin RESD** **989.386.3851**
 Great Start Readiness Program
Sheryl Presler, Superintendent
Kendra Curtiss Tomaski, Director

- **City of Clare** **989.386.7541**
 Clare Depot Restoration Project
Ken Hibel, City Manager

- **Clare Department of Health & Human Services** **989.539.4260**
 Parent/Family Contracts
Stu Beauregard, Supervisor

- **Bay County Department of Health & Human Services** **989.895.2100**
 Parent/Family Contracts
Brian Milliken, Program Manager

Other references can be provided upon request.

7. Project Budget

As can be seen in the following budget, line items include wage and fringe for identified staff involved.

Category	Administration	Explanation
Wages	6,672 2,212 <u>1,191</u>	Housing Manager Housing Energy Inspector Finance Director
Total Wage	\$10,075	
Fringe	<u>5,425</u>	FICA, Medicare, Health & Life Insurance, Retirement
Total Fringe	\$5,425	
Total Grant Request	\$15,500	

8. Authorized Negotiators

The authorized negotiators for this project are Jill Sutton, Executive Director and/or Bill Reder, Board Chairman.

As can be seen throughout this proposal, Mid Michigan Community Action is an ideal candidate to perform as the **CDBG Administrative Consultant** for the City of Clare Downtown Building Façade Project. The agency is a local organization that specializes in contractual work on a multitude of levels. It is well versed in working with vendors as well as meeting local, state, and federal regulations. The agency has exemplary experience in fiscal integrity, and program completion and monitoring. It is an active member of the Clare Chamber of Commerce and works with many of the local businesses to support community collaboration strengthening area opportunities.



ROWE PROFESSIONAL SERVICES COMPANY

Large Firm Resources. Personal Attention. sm

March 15, 2016

Ms. Diane Lyon, City Clerk
City of Clare
202 W. Fifth Street
Clare, MI 48617

RE: Request for Proposal – CDBG Administrative Consultant

Ms. Lyon:

ROWE Professional Services Company appreciates the opportunity to provide our qualifications for this project; however, after our review of the RFP we have made a decision to not submit a proposal for this project.

It is our opinion the scope that we submitted to the city, on August 12, 2015 is very similar to that defined in the RFP and may require a fee larger than what has been allocated to the project, so we are at this time electing to not submit. If the city has the opportunity to obtain additional funds, then please contact us to discuss further.

Once again, we thank you for the opportunity to work with the City of Clare and we hope you keep us in mind for future endeavors.

Sincerely,
ROWE Professional Services Company

Steven M. Clark
Project Administrator

R:\WPDOCS\Proposals-Contracts - Rev Forms\2015\City of Clare\Third Party Administrator\City of Clare No Thanks.doc

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Scoring for MMCAA

REQUEST FOR PROPOSALS CDBG ADMINISTRATIVE CONSULTANT CITY OF CLARE, MICHIGAN

The City of Clare, Michigan is accepting proposals from qualified consultants for management and administrative services required by the City of Clare for administration of an awarded Downtown Building Façade Grant under the Community Development Block Grant (CDBG) Program, Grant No. MSC 215013-CDF. The project for which funds have been awarded consists of :

PART ONE: MANAGEMENT AND ADMINISTRATION

The level and scope of services will be determined by the City of Clare. A fixed sum contract not to exceed \$15,897 on a cost reimbursement basis will be negotiated with the actual fees for services subject to approval by and funding from the state. CDBG funds can be utilized for the payment of overall program administration costs that are associated with the funded CDBG program; such costs must be within the amounts allowed under the CDBG Program. The scopes of services that the consultant must be prepared and qualified to provide are as follows:

- a. Prepare all Requests for Payment to ensure consistency with the procedures established for the CDBG Program.
- d. Ensure the City of Clare has an acceptable financial management system as it pertains to finances of the CDBG program. An acceptable system includes, but is not limited to, cash receipts and disbursements journal and accompanying ledgers, and should conform to generally accepted principles of municipal accounting.
- e. Establish, manage, and maintain project files in the local government's office. These files must demonstrate compliance with all applicable state, local, and federal regulations. The project files must be monitored throughout the program to ensure that they are complete and that all necessary documentation is being retained in the community's files.
- f. With the assistance of the community, help conduct any required public hearings. This includes, but is not limited to assisting with public notices, conducting hearings, etc.
- g. Assist in complying with regulations governing relocation, if applicable, for tenants of properties associated with the approved grant, to include completion and submittal of any and all required relocation forms.
- h. Advise and assist property owners/grant recipients and the City of Clare in all matters related to the grant to ensure compliance with all applicable state, local, and federal regulations.
- i. Secure the Department of Labor's federal wage decision and include it in project files.
- j. Review construction contracts to ensure compliance with state and federal regulations; make any required changes to those contracts. Examples are Conflict of Interest, Access to Records, Copeland Anti-Kickback Act, Safety Standards, Architectural Barriers, Flood Insurance, Clean Air and Water Act (for contracts over \$100,000), HUD Handbook (6500.3), 24 CFR 85.36, EO 11246 (for contracts over \$10,000).
- k. Obtain contractor clearance(s) from the state.
- l. Check weekly payrolls to ensure compliance with federal wage decision(s). Conduct on-site interviews and compare the results with the appropriate payrolls.
- m. Monitor construction to ensure compliance with equal opportunity and labor standards provisions.

- n. Make progress inspections and certify partial payment requests.
- o. Attend and assist the City of Clare during the state's monitoring visit(s). Prepare City of Clare's response to all monitoring findings.
- p. Assist in a final inspection of the project and in the issuance of a final acceptance of work.
- q. Prepare the Section 504 self-evaluation and transition plan, if applicable.
- r. Prepare analysis of impediments to fair housing.
- s. Assist City of Clare in meeting the state's financial reporting requirements.
- t. Prepare close-out documents.

PART TWO: PROPOSALS

Proposals will be considered by the City of Clare at a meeting to be held at 6pm on the 21st day of March, 2016. In order to be considered, proposals must be received by the City of Clare prior to noon on the 18th day of March, 2016. The City of Clare reserves the right to reject any or all proposals.

All proposals should be sealed and identified on the outside as;

City of Clare
ATTN: CDBG NO. MSC 215013-CDF, Administrative Consultant Proposal
Mrs. Diane Lyon, City Clerk
202 W. Fifth Street
Clare, Michigan 48617

All proposals will be scored and ranked with the highest rated firm being awarded a contract.*

The proposal must include a brief history of the firm and a resume of each person in the firm who will be assigned to the project. The proposal must also include a list of local governing bodies for which the firm has been under contract with for CDBG administration during the last four calendar years; this list will be used for reference purposes. All references must indicate excellent program performance.

Two copies of the proposal and the required supplemental information should be provided.

PART THREE: SELECTION CRITERIA

All responses to the proposal will be evaluated according to the following criteria and corresponding point system. The proposals will be evaluated on the basis of written materials. Sufficient information must be included in the proposal to assure that the correct number of points is assigned. Incomplete or incorrect information may result in a lower score. 100 points is the maximum attainable points score. The maximum number of points to be awarded for each category of scoring criteria are indicated below.

PRICE CONSIDERATION – required criteria (25 points) 25 pts.

All proposals received will be rank-ordered with the lowest price being rank-ordered number one and 25 points; five points will be deducted for each ranking below the number one award. Proposals exceeding a cost of \$15,897, which is the maximum amount allocated for administration of this grant, will receive a deduction of five points per each \$100 exceeding that amount.

EDUCATIONAL BACKGROUND - required criteria (15 points)

Educational background of project manager who will be assigned to the project – each level of education (high school, college, and Masters/Phd) completed will receive five points per level:

High school diploma	<u>5</u>	pts.
College degree	<u>5</u>	pts.
Masters or PhD	___	pts.

EXPERIENCE FACTOR - required criteria (30 points)

Firm's experience in administering CDBG projects during the last four calendar years (0 points awarded for no projects; 15 points for each of the following two categories). List the name of the localities for each CDBG project administered, in the process of being administered, or completed:

Administered no CDBG projects	___	pts.
Administered 1-5 CDBG projects	___	pts.
Administered more than 5 CDBG projects	___	pts.

EXPERIENCE & FAMILIARITY W/CITY OF CLARE & CLARE BUSINESS COMMUNITY - required criteria (25 points)

Firm's demonstrated experience with the City of Clare and the Clare Business Community. Name or cite specific projects or collaborative relationships and partnerships with the City of Clare and Clare Business Community within the past ten years. Points will be awarded based on the City of Clare's subjective opinion of the value of each of the projects, collaborative relationships and partnerships listed.

25 pts.

OPTIONAL CONSIDERATIONS - optional criteria (5 points)

Firm is a certified Section 3 Business	___	pts.
Firm is a Minority Business Enterprise	___	pts.

Questions concerning this Request for Proposal should be addressed to Diane Lyon, Clare City Clerk, at 989.396-7541 x106 or dlyon@cityofclare.org. Proposals may be hand-delivered to Clare City Hall, 201 West Fifth Street Clare, Michigan or mailed to Mrs. Lyon, City Clerk at the address indicated in PART TWO of this Request for Proposal.

FOR CITY OF CLARE USE ONLY:

Name of Firm Submitting Proposal Mid Michigan Community Action Agency, Inc.

Total Points Awarded for Required and Optional Considerations: 60 pts.

RESOLUTION 2016-031

A RESOLUTION OF THE CLARE CITY COMMISSION APPOINTING A THIRD PARTY ADMINISTRATOR FOR THE PURPOSES OF ADMINISTRATING A DOWNTOWN FAÇADE GRANT ON BEHALF OF THE CITY OF CLARE.

WHEREAS, the City is the recipient of a Michigan Economic Development Corporation (MEDC) Community Development Block Grant (CDBG) for a downtown façade improvement project; and

WHEREAS, the City has limited resources to administer said grant; and

WHEREAS, MEDC allows compensation of administration of said grant but will only compensate MEDC-certified administrators to accomplish grant administration functions; and

WHEREAS, the City does not have on-staff, MEDC-certified personnel qualified to administer said grant; and

WHEREAS, the City solicited proposals for administration of said façade grant from MEDC-certified individuals in the MEDC region within which Clare is located; and

WHEREAS, the City received one proposal; and

WHEREAS, the City Staff has reviewed and scored said proposal using the scoring criteria outlined in the City's Request for Proposal and based on the resultant scores, recommends that the City Commission designate Mid Michigan Community Action Agency, Inc. as its Third Party Agent for the administration of the City's downtown façade grant; and

WHEREAS, the City Commission has duly discussed and considered said recommendation.

NOW THEREFORE BE IT RESOLVED THAT the City Commission of the City of Clare hereby designates Mid Michigan Community Action Agency, Inc. as its Third Party Administer for the City of Clare Downtown Façade Improvement Grant Project.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INsofar AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT: Commissioner Jean McConnell

Resolution approved for adoption on this 21st day of March 2016.

Diane Lyon, City Clerk