

Contracting Agency:	Housing Authority of the City of Milwaukee
Official Notice Number:	57796
Date and Time of Opening:	June 19, 2017, 2:00 PM (CDST)
Type of Work, Services, or Material:	Factory-Built Housing Units for Westlawn Gardens Scattered Sites
Housing Development and Number:	Westlawn Gardens Phase 2
Award Amount:	\$4,700,000.00 not-to-exceed
Budget/Account Number:	CNI, RHF, LIHTC: 550-443042-XXXX

## PROCUREMENT REVIEW

One firm responded to this RFP: Terrace Homes Retail LLC. The proposal was satisfactory per the evaluation criteria. Terrace Homes was invited to participate in an interview with staff for further evaluation and negotiation of scope of work and price. Terrace Homes performed satisfactorily on previous contracts with HACM for similar work. The Modernization & Development Services Section recommends a total award to Terrace Homes Retail LLC in the amount of \$4,700,000.00 not-to-exceed. This award will be split into two contracts, exact dollar split to be determined. One contract will be for approximately \$3,760,000.00 not-to-exceed for the factory-built housing units themselves (commodity). The other contract will be for approximately \$940,000.00 not-to-exceed for associated work on site (construction).

## EMERGING BUSINESS ENTERPRISES

Seeing that Terrace Homes is certified as a WBE through the State of Wisconsin's Department of Administration, is scheduled to complete more than 90% of the onsite work for the assembly of the modular homes, and has indicated a need to subcontract for the roofing component in their proposal to provide factory-built housing units for Westlawn Gardens Scattered Sites Townhomes, and exceeds the minimum dollar amount threshold to trigger EBE requirements pertaining to subcontracting per this contract; it has been recommended to proceed by the Section 3 Coordinator and agreed to by Terrace Home's Business Owner/Partner, Mark Manterach, that he will inform the Section 3 Coordinator of any upcoming subcontracting opportunities through Terrace Homes (or any potential Section 3 and non-Section 3 subcontractors) that may be of interest to contractors who may meet the minimum MBE/WBE requirements per the Department of Administration (DOA) guidelines. Also, in the event that a decision has been made based on a need to subcontract under the proposed contract, Terrace Homes and all potential subcontractors under umbrella of this contract agreement will inform the Section 3 Coordinator prior to the occurrence.

### SECTION 3

Terrace Homes is not a self-certified Section 3 Business Concern. Seeing that Terrace Homes is scheduled to complete 90+% of the proposal to provide factory-built housing units for Westlawn Gardens Scattered Sites Townhomes, and will trigger Section 3 requirements as they have indicated a need to subcontract for the roofing component in their proposal, to whom a subcontract has not been secured to date; it has been recommended to proceed by the Section 3 Coordinator and agreed to by Terrace Homes' Business Owner/Partner, Mark Manterach, that he will inform the Section 3 Coordinator of any upcoming employment/subcontracting opportunities through Terrace Homes (and any potential Section 3 and non-Section 3 subcontractors under this proposal) that may be of interest to HACM residents/(lower tier) non-HACM residents who may meet the minimum employability and contracting requirements, in an attempt to secure employment and/or subcontracting under this contract, and agreed to finding alternative means (as detailed on Pages 16-18 of the HACM Section 3 Plan) to compensate for any percentile differences between the proposed and required subcontracting minimum participation threshold amounts, in the event that Section 3 subcontracting participation requirement cannot be met. Lastly, in the event that a decision has been made based on a need to hire or subcontract under the proposed contract, Terrace Homes and all potential subcontractors under this contract agreement will inform the Section 3 Coordinator prior to the occurrence.

Page 1 of 2

**REQUEST FOR PROPOSALS ANALYSIS AND STAFF RECOMMENDATION**

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**WHEDA**

Seeing that Terrace Homes has agreed to the terms of the WHEDA requirements per this contract, it has been recommended to proceed by the Section 3 Coordinator and agreed to by Terrace Homes' Business Owner/Partner, Mark Manterach, as Terrace Homes understands that over the life of this project in which they propose to provide factory-built housing units for Westlawn Gardens Scattered Sites Townhomes, and new hire requirements (1 of each within the 12 Divisions of Labor, as detailed in the contract) must be met; Terrace Homes' Business Owner/Partner, Mark Manterach, and all Terrace Homes' subcontractors will attempt to fill 1 or more of the 12 Divisions of Labor with unemployed or underemployed individuals residing in ZIP codes 53218, 53209, 53216, 53222, 53223, 53224, and 53225, with the intent of employing these individuals on the construction site(s).

Section 3 Coordinator \_\_\_\_\_ Date \_\_\_\_\_

**FINANCE AND ACCOUNTING**

Finance and Accounting concurs with the recommendation of the Procuring Section to award contract to Terrace Homes Retail LLC. Charge the account number(s) as indicated above.

Grants Accountant/Budget Analyst \_\_\_\_\_ Date \_\_\_\_\_

**RECOMMENDATION**

RECOMMEND AWARD OF CONTRACT TO TERRACE HOMES RETAIL LLC.

**APPROVAL RECOMMENDED**

Chief Financial Officer \_\_\_\_\_ Date \_\_\_\_\_

Asst Secretary–Mod Coordinator \_\_\_\_\_ Date \_\_\_\_\_

**APPROVED**

Secretary–Executive Director \_\_\_\_\_ Date \_\_\_\_\_

HA-195 (11/2015)