

RESOLUTION NO. \_\_\_\_\_

**AWARD OF CONSTRUCTION CONTRACT FOR EAST ST. CATHERINE  
STREET FIRE DAMAGE REPAIRS**

**Item No. 5i**

WHEREAS, funds have been received from the U.S. Department of Housing and Urban Development under the Capital Fund Program for East St. Catherine Street Fire Damage Repairs; and

WHEREAS, Sherman, Carter, Barnhart, Inc. (SCB); developed construction documents for this project; and

WHEREAS, the project was advertised for bids in The Courier-Journal and The Louisville Defender and on February 16, 2021 bids were received and tabulated for the contractor to perform the work; and

WHEREAS, staff reviewed the bids received and determined that the bid submitted by Howell & Howell Contractors in the amount of \$539,000.00 is the most responsive and responsible bid received and recommends award of the contract to them.

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS, that the Executive Director and Contracting Officer, Lisa Osanka, is hereby authorized to enter a contract with Howell & Howell Contractors in the amount of \$539,000.00 for 621 East St. Catherine Street Fire Damage Repairs.

## RESOLUTION BACKGROUND STATEMENT

### AWARD OF CONSTRUCTION CONTRACT FOR EAST ST. CATHERINE STREET FIRE DAMAGE REPAIRS

#### Item No. 5i

#### I. STATEMENT OF FACTS:

The Louisville Metro Housing Authority (LMHA) received funds from the Department of Housing and Urban Development under the Capital Fund Program for East St. Catherine Street Fire Damage Repairs, Apartments #5 and #6.

This Scattered Sites duplex is part of a multi-family site composed of four separate structures with a total of ten apartments. In October 2018, these two units sustained extensive damage due to a fire. The work to repair these units will include replacing portions of the roof and other structural components, removing extensive mold from the surfaces that remain onsite; installing all new electrical, plumbing and mechanical systems; installing all new insulation; replacing all the drywall, flooring, windows, doors, plumbing and lighting fixtures, cabinets, hardware and other finishes such as paint; and the appliances.

The project was advertised on January 26, 2021 in the Courier Journal, LMHA's website and the Housing Agency Marketplace, and on January 27, 2021 in the Louisville Defender. The project team also used multiple local and national plan rooms, made direct calls to local general contractors, reaching at least 1080 companies that we can confirm received an "invitation for bids"; the breakdown of these companies is as follows:

MBE / African-American Business Enterprise	362 (33%)
MBE / Hispanic-American Business Enterprise	42 ( 4%)
MBE / Asian Pacific-American Business Enterprise	10 ( 1%)
MBE / Asian Indian-American Business Enterprise	6 ( 1%)
MBE / Hasidic Jew Business Enterprise	1 ( 0%)
MBE / Native American Business Enterprise	14 ( 1%)
MBE / Woman-owned Business Enterprise	216 (20%)
DBE / Disabled Veteran-owned Business Enterprise	40 ( 4%)
NONE (Not MBE, WBE or DBE-owned)	534 (48%)
SECTION 3 Business	73 ( 7%)

**RESOLUTION BACKGROUND STATEMENT**

**AWARD OF CONSTRUCTION CONTRACT FOR EAST ST. CATHERINE STREET FIRE DAMAGE REPAIRS**

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**I. STATEMENT OF FACTS (cont'd):**

From the 1080 companies listed above, a total of 36 companies downloaded and reviewed the Plans and Specifications for the East St. Catherine Street Fire Damage Repairs and the breakdown is as follows:

MBE / African-American Business Enterprise	9 (23%)
MBE / Hispanic-American Business Enterprise	1 ( 3%)
MBE / Asian Pacific-American Business Enterprise	1 ( 3%)
MBE / Native American Business Enterprise	1 ( 3%)
MBE / Woman-owned Business Enterprise	7 (18%)
DBE / Disabled Veteran-owned Business Enterprise	1 ( 3%)
NONE (Not MBE, WBE or DBE-owned)	24 (62%)
SECTION 3 Business	2 ( 5%)

Bids were opened on February 16, 2021 and the results are noted as follows:

<u>CONTRACTOR</u>	<u>AMOUNT</u>
Martin Construction Company	\$530,000.00
Howell & Howell Contractors	\$539,000.00

Following the procurement policies, the bid submitted by Martin Construction Company in the amount of \$530,000.00 was reviewed and analyzed for responsiveness and responsibility, and it was found to be both non-responsive (due to an incomplete submission of the required bidding documents) and non-responsible (due to non-compliance with four of the ten responsibility evaluation factors established in the policies); and therefore, it was rejected.

The bid submitted by Howell & Howell Contractors in the amount of \$539,000.00 was then reviewed and analyzed following the same protocol.

In terms of responsiveness, Howell and Howell Contractors, who are a HUD-Registered Section 3 Business, submitted a complete bid package. Since this project is funded through the Capital Fund Program and the contractor will utilize subcontractors, the LMHA 25% MBE, 10% WBE and 0.5% DBE participation goals apply.

## RESOLUTION BACKGROUND STATEMENT

### AWARD OF CONSTRUCTION CONTRACT FOR EAST ST. CATHERINE STREET FIRE DAMAGE REPAIRS

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#### I. STATEMENT OF FACTS (cont'd):

In reviewing the documents related to the MBE, WBE and DBE participation, the evaluation committee was able to determine that Howell and Howell Contractors, despite “good faith efforts”, required a waiver for small portions of the goals (6% of the MBE goal, 3% of the WBE goal and .5% for DBE goal). The waiver was granted because the evaluation committee determined that Howell & Howell demonstrated willingness to achieve the goals and spread the economic opportunities to MBE, WBE, DBE subcontractors, and to very-low and low income communities thru the Section 3 Program, by the number of local companies (nine in total) that they would be contracting with: 3-MBEs, 2-WBEs and 4 “Section 3 Businesses”.

The LMHA recently certified three of these companies under our MWDBE Program: Skynet as an MBE, and ARGC and Habitat Louisville as both MBE and WBE; and if the contract is awarded, they would be performing their first LMHA job under this project.

The minority female owner of Habitat Louisville was a Section 3 Resident Program participant during the Redevelopment of Sheppard Square, and she was recently selected to participate in a HUD sponsored Section 3 Regional Seminar as success story of the program.

Because Howell and Howell Contractors, Inc. are a HUD-registered “Section 3 Business”, they would also be providing direct economic opportunities to low income and very low-income individuals.

After finding the bid submitted by Howell and Howell also to be responsible, the Procurement Committee (Norma Ward, Steve Webb, Phil Reidinger and Mike Lyall) discussed the project and is recommending award of the contract to Howell & Howell Contractors in the amount of \$539,000.00.

#### II. ALTERNATIVES:

- A. Approve the resolution authorizing award of a contract to Howell & Howell Contractors in the amount of \$539,000.00.
- B. Do not approve the resolution to award of the contract at this time.

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**III. RECOMMENDATION:**

Staff recommends Alternative "A".

**IV. JUSTIFICATION:**

- The bid submitted by Howell & Howell Contractors has been determined by staff to be responsive and responsible bid received.
- Howell & Howell Contractors bid is within an acceptable range of the Architect's estimate of \$512,000.00, and is below the LMHA's project budget of \$600,000.
- Awarding the contract at this time is crucial to ensure the safety and wellbeing of residents on this site, as well as visitors and LMHA maintenance staff.
- Renovating these two units as soon as possible is essential prevent further damage to the structure and to prevent vandalism.
- Completing the fire damage repairs is necessary in order to take them off the vacancy list and back in the rent roll. These units have been vacant awaiting renovation for over 800 days.

**V. BUDGET APPROVAL:**

Funding for this project is provided from Capital Fund Program.

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Angela Larsson, Director of Finance

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Date

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**VI. PROCUREMENT CERTIFICATION:**

The procurement of this contract is in compliance with the Louisville Metro Housing Authority's procurement policies and procedures.

\_\_\_\_\_  
Steve Webb, Purchasing Agent

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Date

Prepared by: Mike Lyall, Program Manager  
Capital Improvements Department

Submitted by: Norma Ward, Director  
Capital Improvements Department  
March 16, 2021