

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

**AWARD OF CONSTRUCTION CONTRACT ON  
1131 SOUTH 6<sup>TH</sup> STREET – RENOVATION PROPOSAL #1557**

**Item No. 5D**

WHEREAS, funds have been received from the U.S. Department of Housing and Urban Development under the Capital Fund Program for 1131 South 6<sup>th</sup> Street Renovation; and

WHEREAS, Sherman Carter Barnhart Architects and Engineers developed construction documents for this project; and

WHEREAS, the project was advertised in the Courier-Journal on January 26, 2022, LMHA's website and Housing Agency Marketplace and The Louisville Defender, on January 27, 2022, and on February 22, 2022, the bid was received and tabulated for the contractor to perform the work; and

WHEREAS, one bid was received, and following the procurement policy, a letter was sent to HUD on February 23, 2022, to request approval for award, and;

WHEREAS, staff reviewed the bid received and determined that the bid submitted by Howell & Howell Contractors, Inc. in the amount of \$1,600,000.00 is the lowest responsive and responsible bid received and recommends award of the contract to them, subject to HUD approval.

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, once HUD sole source procurement is approved, to enter into a Construction Contract with Howell & Howell Contractors, Inc. in the amount of \$1,600,000.00.

## RESOLUTION BACKGROUND STATEMENT

### AWARD OF CONSTRUCTION CONTRACT ON 1131 SOUTH 6<sup>TH</sup> STREET – RENOVATION PROPOSAL #1557

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#### **I. STATEMENT OF FACTS:**

The Louisville Metro Housing Authority (LMHA) received funds from the U.S. Department of Housing and Urban Development provided under the Capital Fund Program for 1131 South 6<sup>th</sup> Street Renovation. This 6-unit multi-family building in the Limerick Neighborhood has been vacant for approximately 8 years, this site had to go through mandatory abatement work to remove lead-based paint from many of the building exterior components, including the porch. In April of 2018, LMHA conducted a project to renovate the porch after the abatement, after the work exposed many areas of rot and damage on the porch. Subsequent to the porch renovation, it was discovered the roof had suffered irreparable failure in several areas that caused water infiltration and subsequently led to mold which must be remediated with this renovation. This is a historical site that is in need of renovation to keep this property from further deterioration. The renovation will consist of mold remediation, new roof and tuck pointing in areas of concern with water intrusion as well as unit renovation, mechanical and electrical upgrades, and site work (sidewalks and parking areas).

The project was advertised on January 26, 2022, in the Courier Journal, LMHA's website and The Housing Agency Marketplace; and on January 27, 2022, in the Louisville Defender. The project team also used multiple local and national plan rooms and made direct calls to local MBE, WBE and Section 3 firms found through the Louisville Metro Government's Human Relation Commission Database, reaching at least 1437 companies that we can confirm received an "invitation for bids", and it includes 455 MBE, 303 WBE, 0 DBE and 119 Section 3 firms from the tri-state area (Kentucky, Indiana and Ohio). The breakdown is as follows:

|  |     |       |
|--|-----|-------|
| MBE / African American Business Enterprise       | 455 | (31%) |
| MBE / Asian Indian American Business Enterprise  | 11  | (1%)  |
| MBE / Asian Pacific American Business Enterprise | 17  | (1%)  |
| MBE / Hassidic Jew American Business Enterprise  | 1   | (0%)  |
| MBE / Hispanic American Business Enterprise      | 78  | (5%)  |
| MBE / Native American Business Enterprise        | 20  | (1%)  |
| None (not Woman or Minority owned)               | 763 | (51%) |
| Qualified Disabled Veteran                       | 0   | (0%)  |
| Woman Owned Business Enterprise                  | 303 | (20%) |
| Section 3 Business                               | 27  | (4%)  |

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

From the 1437 companies listed above, a total of 52 companies downloaded and reviewed the Plans and Specifications for the “1131 South 6<sup>th</sup> Street Renovation:

|   |          |
|---|----------|
| MBE / African American Business Enterprise      | 12 (23%) |
| MBE / Asian Indian American Business Enterprise | 1 (2%)   |
| MBE / Hispanic American Business Enterprise     | 1 (2%)   |
| None / (not Woman or Minority owned)            | 31 (58%) |
| Woman Owned Business Enterprise                 | 10 (19%) |
| Section 3 Business                              | 5 (9%)   |

On February 22, 2022, LMHA received a single bid for this project, and it is as follows:

| <b><u>CONTRACTOR</u></b>          | <b><u>AMOUNT</u></b> |
|-----------------------------------|----------------------|
| Howell & Howell Contractors, Inc. | \$1,600,000.00       |

The bid submitted by Howell & Howell Contractors, Inc. in the amount of \$1,600,000.00 was determined to be the lowest responsible and responsive bid.

The bid received from Howell & Howell Contractors, Inc. was also under the Architectural and Engineering estimate of \$1,700,000.00.

As this project is funded through Capital Funds Program, the MBE participation goal is 25%, the WBE is 10% and the DBE is 0.5%. The Contractor has reached 22.1% MBE, 11.2 % WBE and 0% DBE, and a waiver for 2.9% MBE, 0.5% DBE has been granted by the evaluation committee (Phil Reidinger, Keith McCarthy, Norma Ward and Wavid Wray) after making the determination that Howell & Howell Contractors, Inc. exercised a “Good Faith Effort” to achieve the goals.

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

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#### **II. ALTERNATIVES**

- A. Approve award of the Contract to Howell & Howell Contractors, Inc., subject to HUD approval.
- B. Do not approve award of the contract at this time.

#### **III. RECOMMENDATION**

Staff recommends Alternative “A”.

#### **IV. JUSTIFICATION**

- Award of this contract is necessary to stop the water infiltration and remediate the mold that exists as a consequence of the leaky roof.
- By renovating the 6-units on this site, LMHA will be able to provide comfortable and efficient updated units to six Louisville families.
- LMHA will be able to take these units out of the vacancy list.
- With a rebid comes the possibility of not receiving a bid from the contractor who was the single bidder on this project.
- Howell & Howell Contractors, Inc. was below the Architect/Engineering estimate.
- Howell & Howell Contractors, Inc. is a registered Section 3 Business that will be utilizing a total of two MBE and one WBE subcontractors.

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**V. BUDGET APPROVAL**

Funding for this project is provided from the Capital Fund Program.

\_\_\_\_\_  
Angela Larsson, Director of Finance

\_\_\_\_\_  
Date

**VI. PROCUREMENT CERTIFICATION**

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

\_\_\_\_\_  
Steven Webb, Purchasing Agent

\_\_\_\_\_  
Date

Prepared by: Keith McCarthy, Assistant Director  
Capital Improvements Department

Submitted by: Norma Ward, Director  
Capital Improvements Department  
March 15, 2022