

**INFORMAL SOLICITATION**  
**Minnesota Housing Finance Agency**

**Multifamily Cost Estimator Contractor**

**Description of Project**

Minnesota Housing Finance Agency (Minnesota Housing), a mortgagee authorized to submit application packages using Multifamily Accelerated Processing (MAP) procedures, is requesting proposals from qualified cost estimators in order to create a qualified contractor list.

MAP program obligations require Minnesota Housing to hire qualified cost estimators to prepare an independent construction / rehabilitation cost analysis for proposals submitted by loan applicants. The qualified cost estimator must have experience in multifamily cost estimating and with knowledge and experience with local building standards and construction cost for the type of project proposed. In turn, the Minnesota Housing process must be capable of reviewing all cost estimates independently in addition to the work products submitted by needs assessor contractors; thus it employs qualified staff architects.

The intent of the following Informal Solicitation is to assemble a qualified contractor list that will be updated periodically.

Once the qualified contractor list is assembled and respondents are notified, the list will be accessed for "Project-Specific" proposals. Project-Specific proposals will be requested from qualified contractors based upon receipt of multifamily MAP loan applications (estimated to be 5-10 loan applications annually). Requests for Project-Specific loan proposals will include the following content; narrative information regarding proposed multifamily project, a project scope of work and timeline. Project-Specific proposals will be selected based upon; contractor cost estimate, timeline for completion, Veteran-Owned Preferences and consideration of Targeted Group and Economically Disadvantaged Business and Individuals, if applicable.

This request for proposals does not obligate the State to award a future contract and the State reserves the right to cancel this solicitation if it is considered to be in its best interest.

**Desired Skills**

Although not limited to any one specific method, the cost estimator must have experience providing an estimate in a method recognized by the construction industry.

Must be knowledgeable and experienced with local building standards and construction methods for the type of project being considered, including the Federal Fair Housing Accessibility Guidelines,

Must be knowledgeable of Fair Housing Act's design and construction requirements, which apply to "the design and construction of covered multifamily dwellings for first occupancy" after March 13, 1991, and Section 504/ the Uniform Federal Accessibility Standards (UFAS), which establish guidelines for accessibility by disabled persons in Federal and/or federally-funded facilities and may apply if HUD provides financial assistance to a project,

Must have knowledge of the American Disabilities Act where applicable,

Must have knowledge and working experience with HUD's MAP process as outlined in the MAP Guide (with emphasis on Chapter 6, *Cost Processing*),

Must have experience with all applicable HUD Forms, used through a MAP lending process,

Must understand and be capable of conforming to HUD's line item format as show on HUD-2328 Contractor's and /or Borrower's Cost Breakdown,

Must have credentials to be considers qualified by HUD,

Working knowledge of Minnesota Housing's "Rental Housing Design/ Construction Standards",

## Questions

Questions concerning this Informal Solicitation should be directed to:

Julie Ann Monson  
Multifamily Operations  
Minnesota Housing Finance Agency  
400 Sibley Street Suite 300  
St. Paul, MN 55101

julie.ann.monson@state.mn.us  
Telephone 651-297-3123

Other personnel are not authorized to answer questions regarding this Informal Solicitation. All responses to questions will be posted in two business days at [www.mnhousing.gov](http://www.mnhousing.gov).

## Response Content

- 1) Project Specific Work Sample, Responders are encouraged to propose additional tasks or activities if they will improve the results of the project. These items should be separated from the required items on the cost proposal.
- 2) Cost estimate of Project Specific Work Sample,
- 3) Résumé outlining multifamily construction cost estimating experience including exposure to working with Federal Fair Housing Accessibility Guidelines and the Fair Housing Act and Section 504/ the Uniform Federal Accessibility Standards,
- 4) Evidence of Insurance,
- 5) If applicable, evidence of Veteran-Owned Preference Form (attached)
- 6) If applicable, evidence of Targeted Group and Economically Disadvantaged Business and Individuals,
- 7) Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion,
- 8) Qualification of Architect form,
- 9) Signed Affidavit of NonCollusion.

This Informal Solicitation does not obligate the state to award a contract or complete the project, and the state reserves the right to cancel the solicitation if it is considered to be in its best interest.

## Response Delivery

All responses must be in writing and delivered to:

Julie Ann Monson  
Multifamily Operations  
Minnesota Housing Finance Agency  
400 Sibley Street Suite 300  
St. Paul, MN 55101

All proposals must be received not later than 4:30 p.m., Central Time, May 10, 2013.

**Late responses will not be considered.**

Email responses **will be** considered, however the burden of proving timely receipt is upon the responder.

#### **Response Evaluation - Qualified Contractor List Selection:**

Responses will be evaluated on 100 percent (100%) on qualifications and quality of proposal content/submittals.

All responses received by the due date and time will be evaluated with notification of results by May 30, 2013.

#### **Response Evaluation - Qualified Contractors Selection for Project-Specific proposals:**

After the qualified contractor list is assembled and respondents are notified, the list will be accessed for "project-specific" proposals. Project-specific proposals will be requested from qualified contractors based upon receipt of multifamily MAP loan applications (estimated to be 5-10 loan applications annually).

Responses will be evaluated on "best value": 60 percent (60%) on proposal including timeline, and 40 percent (40%) on cost considerations.

#### **Conflicts of Interest**

Responder must provide a list of all entities with which it has relationships that create, or appear to create, a conflict of interest with the work that is contemplated in this request for proposals. The list should indicate the name of the entity, the relationship, and a discussion of the conflict.

#### **Disposition of Responses**

All materials submitted in response to this Informal Solicitation will become public record after the evaluation process is completed. The State will not consider the prices submitted by the responder to be proprietary or trade secret materials.

#### **Organizational Conflicts of Interest**

The responder warrants that, to the best of its knowledge and belief, and except as otherwise disclosed, there are no relevant facts or circumstances which could give rise to organizational conflicts of interest. An organizational conflict of interest exists when, because of existing or planned activities or because of relationships with other persons, a vendor is unable or potentially unable to render impartial assistance or advice to the State, or the vendor's objectivity in performing the contract work is or might be otherwise impaired, or the vendor has an unfair competitive advantage. The responder agrees that, if after award, an organizational conflict of interest is discovered, an immediate and full disclosure in writing must be made to the Director of the Department of Administration's Materials Management Division which must include a description of the action which the contractor has taken or proposes to take to avoid or mitigate such conflicts. If an organization conflict of interest is determined to exist, the State may, at its discretion, cancel the contract. In the event the responder was aware of an organizational conflict of interest prior to the award of the contract and did not disclose the conflict to the contracting officer, the State may terminate the contract for default. The provisions of this clause must be included in all subcontracts for work to be performed similar to the service provided by the prime contractor, and the terms "contract," "contractor," and "contracting officer" modified appropriately to preserve the State's rights.

#### **Preference to Targeted Group and Economically Disadvantaged Business and Individuals**

In accordance with Minnesota Rules, part 1230.1810, subpart B and Minnesota Rules, part 1230.1830, certified Targeted Group Businesses and individuals submitting proposals as prime contractors will receive a six percent preference in the evaluation of their proposal, and certified Economically Disadvantaged Businesses and individuals submitting proposals as prime contractors will receive a six percent preference in the evaluation of their proposal. Eligible TG businesses must be currently certified by the Materials Management Division prior to the solicitation opening date and time. For information regarding certification, contact the Materials Management Helpline at 651.296.2600, or you may reach the Helpline by email at [mmdhelp.line@state.mn.us](mailto:mmdhelp.line@state.mn.us). For TTY/TDD communications, contact the Helpline through the Minnesota Relay Services at 1.800.627.3529.

### **Veteran-Owned Preference**

In accordance with Minn. Stat. § 16C.16, subd. 6a, (a) Except when mandated by the federal government as a condition of receiving federal funds, the commissioner shall award up to a six percent preference on state procurement to **certified small businesses** that are **majority-owned and operated by**:

- (1) recently separated veterans who have served in active military service, at any time on or after September 11, 2001, and who have been discharged under honorable conditions from active service, as indicated by the person's United States Department of Defense form DD-214 or by the commissioner of veterans affairs;
- (2) veterans with service-connected disabilities, as determined at any time by the United States Department of Veterans Affairs; or
- (3) any other veteran-owned small businesses certified under section [16C.19](#), paragraph (d).

In accordance with Minn. Stat. § 16C.19 (d), a veteran-owned small business, the principal place of business of which is in Minnesota, is certified if it has been verified by the United States Department of Veterans Affairs as being either a veteran-owned small business or a service disabled veteran-owned small business, in accordance with Public Law 109-461 and Code of Federal Regulations, title 38, part 74.

To receive a preference the veteran-owned small business must meet the statutory requirements above by the solicitation opening date and time.

If you are claiming the veteran-owned preference, **attach documentation, sign and return the Veteran-Owned Preference Form with your response to the solicitation.** Only eligible veteran-owned small businesses that meet the statutory requirements and provide adequate documentation will be given the preference.

### **Foreign Outsourcing of Work Prohibited**

All services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision also applies to work performed by subcontractors at all tiers.

### **Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion.**

Federal money will be used or may potentially be used to pay for all or part of the work under the contract, therefore the Proposer must certify the following, as required by the regulations implementing Executive Order 12549.

### **Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transactions**

#### Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms *covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded*, as used in this clause, have the meaning set out in the Definitions and Coverages sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this response that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

#### **Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions**

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

#### **Insurance Requirements**

- A. Contractor shall not commence work under the contract until they have obtained all the insurance described below and the State of Minnesota has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of the contract.
- B. Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
  1. **Workers' Compensation Insurance:** Except as provided below, Contractor must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with the statutory

requirements of the State of Minnesota, including Coverage B, Employer's Liability. Insurance **minimum** limits are as follows:

- \$100,000 – Bodily Injury by Disease per employee
- \$500,000 – Bodily Injury by Disease aggregate
- \$100,000 – Bodily Injury by Accident

If Minnesota Statute 176.041 exempts Contractor from Workers' Compensation insurance or if the Contractor has no employees in the State of Minnesota, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers' Compensation requirements.

If during the course of the contract the Contractor becomes eligible for Workers' Compensation, the Contractor must comply with the Workers' Compensation Insurance requirements herein and provide the State of Minnesota with a certificate of insurance.

## 2. **Professional/Technical, Errors and Omissions, and/or Miscellaneous Liability Insurance**

This policy will provide coverage for all claims the contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the contract.

Contractor is required to carry the following **minimum** limits:

- \$2,000,000 – per claim or event
- \$2,000,000 – annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of the State. If the Contractor desires authority from the State to have a deductible in a higher amount, the Contractor shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that the State can ascertain the ability of the Contractor to cover the deductible from its own resources.

The retroactive or prior acts date of such coverage shall not be after the effective date of this Contract and Contractor shall maintain such insurance for a period of at least three (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by Contractor to fulfill this requirement.

### C. Additional Insurance Conditions:

Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to the State of Minnesota with respect to any claim arising out of Contractor's performance under this contract;

If Contractor receives a cancellation notice from an insurance carrier affording coverage herein, Contractor agrees to notify the State of Minnesota within five (5) business days with a copy of the cancellation notice, unless Contractor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to the State of Minnesota;

Contractor is responsible for payment of Contract related insurance premiums and deductibles;

If Contractor is self-insured, a Certificate of Self-Insurance must be attached;

Contractor shall obtain insurance policy(ies) from insurance company(ies) having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota; and

An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.

- D. The State reserves the right to immediately terminate the contract if the contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the contractor. All insurance policies must be open to inspection by the State, and copies of policies must be submitted to the State's authorized representative upon written request.
- E. The successful responder is required to submit Certificates of Insurance acceptable to the State of MN as evidence of insurance coverage requirements prior to commencing work under the contract.