

**REQUEST FOR PROPOSALS
TO PROVIDE
CONSTRUCTION INSPECTION SERVICES**

Missouri Housing Development Commission



RESPONSE DEADLINE:

One copy and one electronic copy on a CD-ROM to MHDC
no later than 4:30 p.m. on Friday, January 13, 2012

SUBMIT RESPONSES TO:

Tina Beer
Director of Operations
Missouri Housing Development Commission
3435 Broadway
Kansas City, Missouri 64111
tbeer@mhdc.com

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INTRODUCTION

This document is a Request for Proposal (“RFP”) to provide construction inspection services for Missouri Housing Development Commission (“MHDC”). The goal of this RFP is to identify one or more qualified construction inspectors (“Construction Inspector”) to contract with MHDC to perform inspections during the construction or rehabilitation of housing structures. Through on-site inspections, the Construction Inspector will review construction progress and quality, examine contractor-generated documents, and report findings to MHDC through field reports and regular communication.

As the provider of construction and permanent financing for the development of housing in the state of Missouri, MHDC requires project architects, contractors and developers to follow local code requirements and specific guidelines established by MHDC and the federal government for safety, accessibility, adaptability, and quality. The Construction Inspector will represent MHDC and be responsible to MHDC for the services provided.

MISSOURI HOUSING DEVELOPMENT COMMISSION OVERVIEW

MHDC was established in 1969 in order to increase the availability of decent, safe and sanitary housing at prices within the means of low- and moderate-income persons. MHDC is a governmental instrumentality of the state of Missouri and a body corporate and politic. MHDC’s authority is derived from Section 215.030, et seq., of the Revised Statutes of Missouri, as amended and supplemented.

MHDC administers funding to finance the purchase of single family homes for owner occupancy, to finance the construction and rehabilitation of affordable rental housing for low-income Missourians, and to provide housing services. Funding is available through a combination of grants, tax credits, sale of bonds, and loans. Sources include the federal Low Income Housing Tax Credit, Missouri Low Income Housing Tax Credit, HOME Investment Partnership Program, federal Risk-Share insurance, Affordable Housing Assistance Program, proceeds of bond sales, Trust Fund, and MHDC’s own general fund balances. MHDC’s activities are governed by the laws and regulations of each particular funding source and by MHDC policy.

TERMS AND CONDITIONS GOVERNING THIS RFP

DEFINITIONS

Inspection Agreement

Inspection Agreement refers to the formal contracted business arrangement by and between MHDC and the Construction Inspector and incorporates all the terms, conditions, and costs specified in writing.

Best Value Contracting

The award of an Inspection Agreement to one or more qualified Construction Inspectors that is based not solely on the lowest price, but rather on an analysis of multiple factors including but not limited to price, quality of work, capacity, and experience.

Construction Inspector

Construction Inspector refers to any organization or individual performing Construction Inspection services in connection with an Inspection Agreement entered into as a result of a Proposal.

Identity of Interest

Identity of Interest refers to any relationship which would give the Construction Inspector or its agent control or influence over the owner, developer, project architect, contractor, subcontractors, suppliers, vendors, or third-party investors. An identity of interest is construed to exist when any of the situations listed below exist:

1. When (1) the Construction Inspector; or (2) any officer or director of the Construction Inspector; or (3) any person who directly or indirectly controls 10 percent or more of the voting rights, or directly or indirectly owns 10 percent or more of the Construction Inspector; is also (1) the owner, developer, project architect, contractor, subcontractors, suppliers; vendor or third-party investor; or (2) a person who directly or indirectly controls 10 percent or more of the contractor's, subcontractor's or supplier's voting rights, or directly or indirectly owns 10 percent or more of the contractor, subcontractor or supplier; or,
2. When (1) the Construction Inspector; or (2) any officer or director of the Construction Inspector; or (3) any person who directly or indirectly controls 10 percent or more of the voting rights, or directly or indirectly owns 10 percent or more of the Construction Inspector; is also (1) an officer or director of the management agent; or (2) a person who directly or indirectly controls 10 percent or more of the management agent's voting rights or directly or indirectly owns 10 percent or more of the management agent. For purposes of this definition, the term "person" includes any individual, partnership, corporation, or other business entity. Any ownership, control or interest held or possessed by a person's spouse, parent, child, grandchild, brother or sister shall be attributed to such person.

M/WBE

An entity that is certified as a minority-owned business enterprise or certified as a woman-owned business enterprise by the State of Missouri Office of Administration, the city of Kansas City, Missouri, or the city of St. Louis, Missouri.

Project

Project refers to any individual multifamily development which:

1. Is approved to receive construction and/or permanent financing or a reservation of low income housing tax credits from, by or through MHDC under a competitive funding process between the dates of December 1, 2011 and June 30, 2013; and
2. Begins construction no later than December 31, 2013.

Proposal

Proposal refers to the complete response, including any exhibits or attachments, submitted by a Respondent as a result of this RFP.

Respondent

Respondent refers to any organization submitting a response to this RFP.

RFP Scope of Work

RFP Scope of Work refers to the instructions and requirements stated in this document or portions thereof and any additional, supplementary instructions that are developed, incorporated, or promulgated subsequent to the distribution of this document.

Must, Will and Shall:

The use of the terms “must”, “will”, and “shall” indicate mandatory items and instructions with which Construction Inspectors are required to comply.

NOTICE REGARDING PROPOSALS SUBMITTED TO MHDC

MHDC is subject to Missouri Sunshine Law and is required to disclose public records. Upon conclusion of the RFP process and selection of one or more Construction Inspector(s) in connection with this RFP, all Proposals shall become public record and may be published or otherwise distributed to any individual or entity. No Proposals or associated documentation will be returned.

ADVERTISING AND PUBLICITY

Respondents and Construction Inspectors may not issue any news release or otherwise seek publicity regarding this RFP. No Respondent or Construction Inspector shall use the name or logo of MHDC or any adaptation, extension, or abbreviation of such name for advertising, trade display, or other commercial purposes.

COSTS AND LIABILITY

This RFP does not commit MHDC to enter into an Inspection Agreement. A Respondent shall be responsible for any costs incurred in preparation of a Proposal. MHDC reserves the right to accept or reject any or all Proposals or offers made in response to this RFP.

RIGHTS OF MISSOURI HOUSING DEVELOPMENT COMMISSION

MHDC reserves and may exercise one or more of the following rights and options regarding this RFP:

1. Reject any and all Proposals.
2. Seek additional Proposals.
3. Select one or more Construction Inspectors based on Best Value Contracting.
4. Enter into negotiations and subsequently enter into an Inspection Agreement with a Construction Inspector or enter into multiple Inspection Agreements with multiple Construction Inspectors.
5. Choose not to award any Inspection Agreement.
6. Add to, delete, modify or enlarge this RFP including any specifications and/or statement of work, or terms or conditions.
7. Modify the terms and conditions of any proposed or executed Inspection Agreement.

8. Cancel or withdraw this RFP without the substitution of another RFP, or alter the terms and conditions of this RFP.
9. Conduct credit checks and investigations as to the qualifications of each Respondent at any time prior to the award of an Inspection Agreement.
10. Extend deadlines or otherwise modify the required schedule at its sole discretion.

OTHER LEGAL CONDITIONS

Contractual Arrangement

By virtue of its signed Proposal to this RFP, the Respondent agrees that, in the event it is selected as a Construction Inspector for an Inspection Contract award by MHDC pursuant to this RFP, it will enter into good faith negotiations in pursuit of a contractual arrangement with MHDC for the services being requested hereunder. MHDC, at its sole discretion, may incorporate any and all terms and conditions included in this RFP, the Proposal, and any additional provisions required by MHDC into any Inspection Contract(s) awarded. Any Respondent selected to proceed toward an Inspection Contract with MHDC will be required to include in any such Inspection Agreement, contractual provisions that address issues of liability, indemnification, insurance, payment terms, and such other terms and conditions as are customary for agreements that address the subject matter of this RFP.

Each Respondent must conspicuously state in its Proposal its inability or unwillingness to accept any of the provisions, terms or conditions in this RFP, including any provisions set forth in exhibits, and must include in its Proposal the reason(s) for any such exceptions. The Inspection Agreement shall become effective on the date it is fully executed by MHDC and the Construction Inspector. The Inspection Agreement shall remain in full force and effect until completion of construction of all Projects.

MHDC may, in its discretion, extend or expand the Inspection Contract to include additional Projects, additional services or duties, or additional time provided that such extension or expansion does not violate any MHDC policy.

Notice Regarding Distribution of Questions and Answers

NOTICE: For the purpose of transparency and in an effort to prevent any real or perceived unfair advantage, all questions or requests for additional information submitted to MHDC regarding this RFP and the corresponding answers will be published on MHDC's website or otherwise made available to all Respondents.

Interviews, Discussions and Negotiations with Construction Inspectors

A Proposal, including any proposed personnel and any required proposal documents, may be subject to negotiation by MHDC at any time. MHDC may interview none, one, some, or all of the Respondents who submit proposals. RFP responses may be evaluated and the award of an Inspection Agreement may be granted with or without discussions and/or negotiations with Respondents. MHDC reserves the right to request additional information from any or all Respondents. Negotiations by MHDC will not be deemed a counteroffer or a rejection of any Proposal.

Waivers

MHDC may waive any requirements imposed in this RFP when failure to grant the waiver will result in an increased cost to MHDC, or when it is in the best interest of MHDC to grant the waiver. Any such waiver will be granted to all Construction Inspectors awarded an Inspection Agreement pursuant to this RFP.

Certifications

Respondents shall include a letter executed by an authorized official of the organization stating that:

1. The person executing the letter is authorized to enter into contracts or agreements on behalf of the Respondent; and
2. The Proposal is a firm offer which will remain valid for a minimum period of sixty (60) days; and
3. All information in the Proposal is true and correct to the best of his or her knowledge; and
4. No owner, principal or employee of the Respondent gave or will give anything of monetary value including a promise of future employment to an MHDC employee or Commissioner, or a relative of an MHDC employee or Commissioner, in an attempt to influence any decision to award an Inspection Agreement or to influence the decision to modify or negotiate any term contain in any such Inspection Agreement; and
5. Respondent will fully comply with the provisions of RSMo Chapter 105 addressing Conflicts of Interests; and
6. Respondent will fully comply with the provisions of RSMo Chapter 130 addressing Campaign Finance Disclosure Laws; and
7. Respondents will fully comply with MHDC's Standards of Conduct, a copy of which is attached hereto and made a part hereof by reference.

INSTRUCTIONS TO RESPONDENT

COMPLETE RESPONSE

Each Respondent is required to submit a complete Proposal and attest to the accuracy and completeness of its Proposal. In all respects, the Respondent must comply with the instructions, formats and stipulations of this RFP including proper submission, proper format, meeting deadlines, inclusion and presentation of pricing information, and the terms and conditions of the proposed Inspection Agreement. Proposals must be accompanied by a formal letter of transmittal that is signed by an authorized representative of the Respondent and shall include a statement of all Certifications detailed herein. Failure to meet any of the aforementioned requirements may result in elimination of the Proposal from consideration.

PROPOSAL SUBMISSIONS

Number of Copies and Media

Each Respondent must submit one (1) executed hard copy of its Proposal and one (1) compact disc containing the text of its Proposal in Microsoft Word or Adobe format.

Delivery Instructions/MHDC Point of Contact

All questions and requests for additional information must be submitted in writing via email and should include a subject line of "RFP Inquiry" to tbeer@mhdc.com.

Proposals must be submitted as outlined herein and will not be accepted via email delivery.

NOTICE: No verbal questions will be answered. All questions and inquiries must be in writing and submitted via email.

Deadline for Submission of Proposals

Proposals are due and must be received by MHDC at 3435 Broadway, Kansas City, Missouri no later than 4:30 PM (Central) on January 13, 2012. Proposals received after 4:30 PM (Central) on January 13, 2012 will not be accepted.

Extensions of Proposal Deadlines

In the event the due date for Proposals is extended or modified, the new date will be published on the MHDC website www.mhdc.com/rfp/.

Anticipated Timetable

RFP Release Date: **Friday, December 19, 2011**

Final date for submission of requests for additional information: **Friday, January 6, 2012**

Proposal Due Date: **Friday, January 13, 2012 at 4:30 PM (Central)**

Publication of MHDC selections: **Friday, January 27, 2012**

PROPOSAL PREPARATION

MANDATORY PROPOSAL SECTIONS

Proposals shall include, at a minimum, the following mandatory, separate sections:

Proposed Inspection Services
Qualifications and Experience
Price Proposal
Proposal of Terms, Conditions and Other Requirements

Respondents are invited to include additional information or sections in the Proposal such as an executive summary or example of previous work such as inspection reports.

PROPOSED INSPECTION SERVICES

MHDC requires each of the following:

1. The Construction Inspector shall be well-acquainted with MHDC design and construction standards and follow MHDC standards in the performance of the contract.
2. The Construction Inspector shall contract with MHDC on a project-by-project basis for inspection services from pre-construction through the final inspection.
3. The Construction Inspector shall receive, review and be familiar with all construction documents, such as plans, specifications, engineering documents, and construction contracts related to the assigned Project(s).
4. The Construction Inspector shall attend one on-site pre-construction conference for each Project.
5. The Construction Inspector shall coordinate inspection schedules with the project architect, contractor and, when necessary, subcontractors and other consultants.
6. The Construction Inspector shall perform the following inspections:
 - a. Monthly construction draw inspections to review the work in progress for quality and compare the work completed with the draw payment request presented by the contractor;
 - b. Perform a footing/slab inspection (first available);
 - c. Perform at least one open-wall inspection (first open-wall available); and
 - d. Attend the final occupancy inspection with the local code inspector.
7. The Construction Inspector shall Submit the following reports to MHDC staff:
 - a. Verbal reports to MHDC immediately following the monthly construction draw meeting to report acceptance of or reservations to the contractor's pay request; and
 - b. Written field reports in MS Word or Adobe format with sufficient photos illustrating progress and issues by email within three business days of the inspection in a format or on a form acceptable to MHDC.
8. The Construction Inspector shall receive and review any drawing updates at the project site from the project architect and submit copies with comments to MHDC.
9. The Construction Inspector shall review change orders submitted by the contractor and forward copies evidencing approval or rejection to MHDC.
10. The Construction Inspector shall review the contractor's application for payment and forward copies evidencing approval or rejection to MHDC.
11. The Construction Inspector shall communicate problems and issues with MHDC.
12. The Construction Inspector shall report known OSHA violations to MHDC staff.
13. The Construction Inspector shall review copies of the G-704 Certificate of Substantial Completion and locally-issued Certificates of Occupancy, and forward copies evidencing approval to MHDC.
14. The Construction Inspector shall ensure the final inspections and punchlists have been completed as required by MHDC.
15. The Construction Inspector shall communicate with MHDC to determine the final project completion date.

16. The Construction Inspector shall review and verify all final documents including the project architect's certification that the development has been constructed in accordance with the plans and specifications as approved by MHDC.

Provide a detailed description of how the Respondent will fulfill requirement to perform the above detailed inspection services. Include details about whether the duties will be performed by the Respondent, by a specific branch office or specific individual, or whether there is any intent to subcontract services with a third-party. If there is intent to subcontract with a third party, provide details regarding all duties to be assumed by the Respondent and all duties to be assumed by the third-party subcontractor.

Joint venture proposals shall designate a single contracting entity with authority to negotiate, execute and bind the joint venture to any potential future contract and act as the party responsible to MHDC. The obligations of each party to the joint venture agreement must be detailed in the Proposal.

Any intent to subcontract all or a portion of the duties detailed herein to a third-party must be disclosed in the Proposal.

QUALIFICATIONS AND EXPERIENCE

The following qualifications and experience are required:

1. Evidence of good standing with the State of Missouri and Federal Employer Identification Number;
2. Primary place of business located in the state of Missouri;
3. Working knowledge of the following standards or documents:
 - a. Construction codes as adopted by the various governmental units;
 - b. Local zoning ordinances;
 - c. The latest available editions of the International Building Code (2006), the International Plumbing Code, the International Mechanical Code, the International Residential Code, and the 2005 National Electrical Code;
 - d. The 2006 International Energy Conservation Code as published by ICC/CABO;
 - e. UFAS and ANSI 117.1;
 - f. The Fair Housing Act of 1968 and the Fair Housing Act Design Requirements;
 - g. The Architectural Barriers Act of 1968, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act and all latest revisions; and
 - h. The Lead Paint Poisoning Prevention Act, the Department of Housing and Urban Development Guidelines for the Evaluation and Control of Lead Based Paint in Housing, and the MHDC Lead Based Paint Policy.
4. Experience in construction administration work including, but not limited to, change orders, payment requests, final inspections and associated final completion certification documents;
5. Experience with housing finance agency (such as MHDC) financed developments and issues related to compliance with requirements of various state and federal financing programs such as HOME, low-income housing tax credits, and historic tax credits;
6. Adequate insurance coverage including:

- a. General liability;
- b. Automobile liability; and
- c. Workers' compensation and employer's liability.

7. Compliance with employment law as it pertains to undocumented workers and use of E-Verify.

List the Respondent's qualifications and experience for the firm as a whole and for each staff member proposed to be involved in the performance of the proposed Inspection Agreement. Include details regarding each item listed above as required qualifications and experience.

Provide a list of projects upon which the Respondent has provided construction inspection services including identification of project size, type and location; name of the contracting entity; and start and end dates of service.

In the event the Proposal includes utilization of a third-party contractor or a joint venture arrangement to fulfill a portion of this contract, please provide qualification and experience information for the third-party contractor or joint venture member.

Indicate whether the Respondent organization is an M/WBE and provide copies of documentation establishing certification as an M/WBE. In the event there is an intent to subcontract any portion of the duties hereunder or if the Proposal includes a joint venture, indicate whether the subcontractor, third-party or joint venture member is certified as an M/WBE and provide copies of documentation establishing certification as an M/WBE for each such entity.

In the event the Respondent is not certified as an M/WBE, provide information regarding the percentage of the Respondent organization owned by women and/or minorities and also provide information regarding the percentage of persons employed by the Respondent organization that are women and/or minorities.

PRICE PROPOSAL

Provide a price proposal that delineates the following costs:

1. Cost for conducting the on-site pre-construction conference;
2. Cost per inspection as a flat fee or as a schedule of flat fees if the Respondent chooses to submit varying fees depending upon variables such as quantity or location of inspections. Please note that MHDC considers mileage, meals, lodging, and incidentals to be included in the flat fee and not added as a reimbursable item; and
3. Reimbursable costs, itemizing the nature of potential costs and the fee schedule with a proposed cap.

PROPOSAL OF TERMS, CONDITIONS AND OTHER REQUIREMENTS

Include a response to each of the following subsections in your Proposal of Terms, Conditions and Other Requirements:

Construction Inspector Affiliations and Subcontractors

The Respondent must identify and fully explain all third-party agreements, joint venture arrangements, and/or relationships that will result in the provision of any services in whole or in part by outside parties, third-party contractors, affiliates, or subcontractors. Lien releases will

be required prior to payment for third-party consultants and managing joint venture members receiving remuneration from the contracting entity rather than direct payment from MHDC.

The Respondent must also identify potential identities of interest by listing all affiliations or common ownership interests with entities that are involved in the production of affordable multifamily housing in the state of Missouri, i.e., owners, developers, project architects, contractors, subcontractors, suppliers, vendors, and third-party investors. MHDC will not contract with a Construction Inspector for a particular project for which there is an identity of interest between the Construction Inspector and other members of the development team.

Financial Stability

Each Respondent must include in its Proposal documented proof of financial stability. This includes financial statements or annual reports covering the two most recent fiscal years, or other such documents that will allow MHDC to assess the financial viability of the Respondent.

References

The Respondent must provide MHDC with a minimum of one (1) reference letter from an entity for which the Respondent has performed services of a similar scope as those contemplated under this RFP within the past two (2) years.