"One Team, One Town, One Family"
Morenci City Offices
118 Orchard Street
Morenci, MI 49256
(517) 458-6828

REQUEST FOR PROPOSALS

MSHDA CDBG MI Neighborhood Grant Administrator

Proposal deadline is **January 12, 2026 – 2:00 PM. EST**

The City of Morenci is seeking proposals from Certified Grant Administrators for management and third-party administrative (TPA) services required for implementation of a Community Development Block Grant (CDBG) funded MI Neighborhood Grant through the Michigan State Housing Development Authority (MSHDA).

Project Summary

The City of Morenci has been awarded a Community Development Block Grant (CDBG) to implement the Morenci Home Improvement Partnership (MHIP) Program, which will address critical health, safety, accessibility, and energy efficiency needs in owner-occupied homes. The program will rehabilitate 40 homes, with an average assistance of $24,190 per home, for a total grant amount of $1,180,000, including 18% allocated for Third-Party Administrator (TPA) services.

Eligible households must be owner-occupied and at or below 80% of Area Median Income (AMI). Priority will be given to homes with urgent health and safety needs, including lack of heat, active leaks, structural deficiencies, and electrical or plumbing hazards, as well as to elderly homeowners, people with disabilities, veteran households, and households with children. Eligible rehabilitation activities may include roof and structural repairs, window and door replacement, siding and insulation, HVAC replacement, plumbing and electrical upgrades, lead hazard reduction (as required), and accessibility improvements.

The MHIP program will be implemented through an application-based process supported by public outreach via flyers, local nonprofit coordination, utility bill inserts, social media, the City website, newspaper notices, public meetings, and direct outreach to senior and disability service providers. Homeowner eligibility will be verified through income documentation, proof of ownership, insurance, and property tax status. Properties must be single-family, owner-occupied units within the City and meet environmental and feasibility standards.

The City is seeking a qualified TPA to administer the MHIP Program in compliance with all MSHDA and HUD requirements. The TPA will manage outreach, application intake and eligibility verification, environmental review coordination, procurement assistance, financial management support,

construction and labor compliance monitoring, reporting, and grant closeout. The City will retain ultimate responsibility for grant compliance while leveraging the TPA to ensure regulatory adherence and successful program execution.

Form of Contract

The City of Morenci will award a fixed sum contract subject to approval by and funding from the MSHDA. CDBG funds can be utilized for the payment of overall program administration costs associated with the funded CDBG project. The total budget for the project is $1,180,000, with $212,400 allocated to grant administration costs.

Due to the size of the award, the funding has been split into two reservation memos with separate timelines for full expenditure:

- Phase 1: 12 units, program funds $290,280, administrative funds $63,720, total $354,000. These funds can be used immediately, with the expectation that they will be fully expended by December 31, 2026 (or sooner).

- Phase 2: 28 units, program funds $677,320, administrative funds $148,680, total $826,000. These funds will be utilized after the first reservation memo is fully expended.

PART ONE: SCOPE

Scope of Services

The selected TPA will assist the City of Morenci with all aspects of program administration, compliance, and reporting, including but not limited to:

1. General Tasks
   a. Review project files in the City of Morenci office or digitally so that file sharing can easily occur between the City and MSHDA. These files must demonstrate compliance with applicable and federal regulations and CDBG guidelines. The project files must be monitored throughout the program to ensure they are complete, and all necessary documentation is being retained in the City's files.
   b. Assist in collecting and maintaining applicable Section 3 documentation to meet compliance standards.
   c. Advise City on format and content of grant metric reports. These reports include, but are not limited to: Progress Reports, Audit Reports, Job Creation Reports and Milestones.
   d. Prepare and submit the semi-annual HUD 2516 and HUD 4710 reports.
   e. Assist in preparing income verification/compliance reports.
   f. Other general tasks as related to program compliance.

2. Program Development, Marketing, and Implementation
   a. Collaborates with City Staff on the Grant Management Plan
   b. Supports the development of Program Guidelines, Policies and Procedures.
   c. Manages outreach and marketing strategy
   d. Creates flyers and outreach materials

e. Manages day-to-day operations of the MHIP program: Conducts applicant outreach, intake, and eligibility verification.
f. Performs home inspections, scope-of-work development, and cost estimates.
g. Manages procurement: soliciting bids from approved contractors, reviewing proposals, and recommending selection.
h. Oversee job scheduling, progress monitoring, final inspections, and quality control.

3. Financial Management
   a. Prepares Payment Requests at least quarterly in accordance with CDBG's financial management procedures.
   b. Prepares invoices and documents and works with the City to ensure a timely drawdown of CDBG funds.
   c. Advise City on any procedural steps or financial tracking that may be required by MSHDA in addition to their established account procedures.
   d. Make progress inspections and confirm local match documentation each time a payment request is issued.
   e. Advise, prepare and review any Change Orders.
   f. Assist City in drafting, processing, and recording a neutral five-year second mortgage establishing lien rights in favor of MSHDA for any project receiving $10,000 or more in CDBG funds per home. Template forms and guidance will be provided by MSHDA; the TPA is responsible for ensuring proper execution and recording.
   g. Assist City with grant-related submissions to MSHDA.
   h. Provide and organize all supporting documentation for disbursement requests, including IGX forms, invoices/proof of services, contractor statements or waivers, payroll deduction authorizations, and SAM/HUD deniability information for new subcontractors.

4. Environmental Review
   a. Conduct Tier 1 (general) ER for program-wide activities.
   b. Conduct Tier 2 (site-specific) ER for each assisted property.
   c. Prepare all required ER documentation, certifications, and mitigation measures for all determination levels, including Exempt, Categorically Excluded Not Subject to 58.5, and Categorical Excluded Subject to 58.5 projects.
   d. Submit ER documentation for review and clearance prior to project implementation.
   e. Prepare Environmental Review amendments as needed for changes in project scope and ensure ongoing compliance throughout the project lifecycle.
   f. Coordinate collection of all necessary property and site information and respond to any inquiries to support timely review and approval.

5. Procurement
   a. Conduct the complete procurement process in compliance with 2 CFR Part 200, including drafting and publicizing bid opportunities, managing the selection process, and maintaining all required procurement records (e.g., advertisements, bid openings, selection rationale, minutes, and procurement reports).
   b. Verify contractor qualifications, including licensing, insurance, SAM/HUD clearance, and HUD Limited Denial of Participation checks, and ensure all agreements meet program requirements.

c. Prepare and submit all contractor bids and supporting documentation to MSHDA for review and approval, and coordinate any required MSHDA approvals.
d. Ensure compliance with Section 3 requirements, including documentation, reporting, and guidance to support program goals.
e. Collect and file all procurement-related documentation, including executed contracts, insurance, selection rationale, and bid opening minutes.

6. Construction and Labor Compliance
Non-Davis Bacon Projects:
a. Prepares bid documents consistent with federal regulations and CDBG guidelines.
b. Check payroll documentation (if required).
c. Review Contractor Payment Application materials and verify that sufficient documentation is included for submittal to the MSHDA for reimbursement.
d. Confirm contractor clearances, specific to applicable Lead and Asbestos Abatement.
e. Monitor administrative paperwork to ensure compliance with equal opportunity, labor provisions, and Section 3 requirements.
f. Review any inspection reports related to the project.

7. Monitoring and Close Out
a. Attend and Assist City during the MSHDA's monitoring visit(s) [if any].
b. Assist with close-out documentation

8. National Objective Compliance, Surveys, and Income Verification
a. For housing projects: File the Certificate of Occupancy.
b. Assist with compliance and income verification reports.

PART TWO: PROPOSALS

Qualifications and Requirements

The proposal must include:
1. The proposed fixed sum fee.
2. A brief history of the firm and qualifications of each person in the firm who will be assigned to the project and their role in the project.
3. Previous experience of administering CDBG and MSHDA housing grants, with no significant unresolved findings or delays.
4. Three (3) references including contact information for the point of contact, for which the firm has been under contract with CDBG administration during the last three calendar years and the type of CDBG project under contract.
5. Knowledge and experience with Part 200 financial management standards and requirements of agencies administering federal funds.

The responsible consultant whose proposal will be most advantageous to the City of Morenci will be selected.

Proposal Procedure

Proposals must be submitted using the same form as the included REQUEST FOR PROPOSAL FORM.

Proposals will be accepted by:

1. U.S. postal mail at the City of Morenci, 118 Orchard Street, Morenci, MI 49256; or
2. Personal delivery to the City Offices at 118 Orchard Street, Morenci, MI 49256 in sealed envelopes bearing the title:

   City of Morenci
   Attention: Jeff Bell, Administrator/Clerk
   Subject label: MSHDA CDBG MI Neighborhood Grant Administrator Proposal

Proposals received after the deadline will be disqualified. It is the responsibility of the bidder to ensure that the proposal arrives on time in the right location.

Bid Notes

1. All questions must be in writing and submitted by email to Heather Sarnac, Community & Economic Development Director, at heather.sarnac@cityofmorenci.org. The last day for questions is January 6, 2026.
2. All services requested should be addressed. If a service cannot be provided, it should be noted with the proposal. Information should be provided as to all charges and fees related to each service. If no fee is stated, it will be assumed that no fees are to be charged.
3. Any substitutions, alternates or combinations should be clearly marked.
4. The City of Morenci is not responsible for any costs incurred prior to awarding of the contract by the City.
5. Bidders must include current proof of worker's compensation (statutory limits) and a certificate of public liability and property damage insurance in the amount of $500,000 and be willing to add the City of Morenci as an additional insured.
6. All proposals must be good for a period of sixty (60) days from the time of bid.
7. The City of Morenci's Grant Application to the MSHDA CDBG MI Neighborhood Program is available upon request.

Proposals must be received by 2:00 p.m. on January 12, 2026. Proposals will be publicly opened, read and available for review at the specified time. Following the proposal opening the proposals are reviewed by various staff members to make a recommendation to the City of Morenci's City Council at its next regular meeting. Proposals will be awarded at the next regularly scheduled City of Morenci City Council meeting following the due date for receipt of proposals.

The City of Morenci reserves the right to reject any and all bids or any part of same, to waive irregularities and/or informalities, and to make the award or acceptance in part or entirety, as well as to negotiate with Bidders any improvements or clarification regarding specific portions of the proposal as may appear to the best interest of the City of Morenci. Any dispute arising as to any bid shall be settled in the sole discretion of the City of Morenci City Council.

All responses will be evaluated according to the following criteria and corresponding point system. Proposals will be evaluated based on the submitted materials. Sufficient information must be included in the proposal to assure the correct number of points is assigned. Incomplete or incorrect information may result in a lower score.

100 points is the total possible points, which will be allocated according to the following scoring system:

REQUIRED CONSIDERATION

Quoted fixed sum fee (Cost): **20 points**

The City must consider cost of the proposal as part of its selection criteria.

Example:
20% (20 points) of total possible points are the price consideration.
Proposal 1 is for $ 15,000
Proposal 2 is for $ 14,000
Proposal 3 is for $ 16,000

Step 1: Determine points allocated for price -- 100 x 20% = 20 points
Step 2: Award maximum points to the lowest priced proposal (Proposal 2 is awarded **20 points**)
Step 3: Allocate a proportionally reduced number of points to the higher proposals

Proposal 1 $\frac{14,000}{15,000} \times 20 = 18.6$ points

Proposal 3 $\frac{14,000}{16,000} \times 20 = 17.5$ points

Qualifications of the firm and individual(s) assigned to work on the project:	**30 points**
Demonstrated experience and capacity to support the project:	**30 points**
Firm's proximity to project site:	**20 points**
TOTAL POINTS	**100 Points**

NON-DISCRIMINATION CLAUSE

In the performance of any Contract or Purchase order resulting here from, the Contactor agrees to obey and abide by all the laws of the State of Michigan relating to the employment of labor and public work, and all ordinances and requirements of the Village regulating or applying to public improvements.

Furthermore, the Contractor agrees not to discriminate against any employee or applicant for employment, to be employed in the performance of this Contract or Purchase Order with respect to his or her hire, tenure, terms, conditions, or privileges of employment because of religion, race, color, national origin, ancestry, age, sex, height, weight, marital status or physical or mental disability except

when said disability prevents such individual from performing the essential job functions and the disability cannot be reasonably accommodated.

The Contactor further agrees that every subcontract entered into for the performance of this Contract or Purchase Order will contain a provision requiring non-discrimination in employment, as herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Contract or Purchase Order.

ADA COMPLIANCE

The City of Morenci will provide necessary, reasonable auxiliary aids and services, and provide assistance in filling out forms, to individuals with disabilities when doing business with the City of Morenci. Individuals requiring such auxiliary aids or services should contact the City of Morenci by emailing or calling the following: Jeff Bell (517) 458-6828, jeff.bell@cityofmorenci.org.

Jeff Bell
City of Morenci
City Superintendent/Clerk

Date Posted: 12/12/2025

City of Morenci
2025 REQUEST FOR PROPOSAL FORM

MSHDA CDBG MI Neighborhood Grant Administrator

Instructions:
This Bid Form must be completed in full and submitted with all required proposal materials listed in the RFP. Please provide a fixed sum cost for each major component of the Scope of Services. All costs should reflect the TPA's complete services, including labor, travel, and any administrative expenses.

#	Service Category	Proposed Cost ($)
1	General Administration & Reporting	
2	Program Implementation	
3	Financial Management	
4	Environmental Review	
5	Procurement	
6	Construction & Labor Compliance	
7	Monitoring & Closeout	

Total Proposed Fixed Sum Fee: $ _____

Notes:

_____

_____

Exceptions to Proposal:

_____

_____

Required Attachments:
Firm Qualifications and Staff Assignments

- Brief history of the firm
- Qualifications of each team member assigned to the project and their role

Experience with CDBG/MSHDA Housing Grants

- Summary of previous experience administering CDBG and MSHDA housing programs
- Confirmation of no significant unresolved findings or delays

References (Three Required)

- Must be from the past three calendar years
- Must include point-of-contact name, phone, email, and type of CDBG project

Part 200 Financial Management Experience

- Description of firm's knowledge and experience with federal financial management standards

Bid Submitted By:

Date: _____

_____
Name of Firm

_____
Telephone Number & Fax Number

_____
Address

_____
Printed Name Title

_____
City, State, Zip Code

_____
Authorized Signature

Please see Request for Proposal sheet which for information on the general specifications required for the proposal.

By signing above, the Company agrees to all specifications on the bid specification sheet as it relates to holding the City of Morenci harmless from any liability.