



**OFFICIAL NOTICE NUMBER 57730**

**REQUEST FOR PROPSALS  
FOR  
DOCUMENT IMAGING AND MANAGEMENT SYSTEM FOR  
HOUSING AUTHORITY OF THE CITY OF MILWAUKEE**

**Contact Person for this RFP:**

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**March 4, 2016**

Request for Clarifications must be received by: Monday, March 21, 2016  
by 4:00 pm (CDT)

Submission Deadline: Monday, April 4, 2016 by 2:00 pm (CDT)

**HOUSING AUTHORITY OF THE CITY OF MILWAUKEE  
809 North Broadway  
Milwaukee, Wisconsin 53202**

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## REQUEST FOR PROPOSALS

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### OFFICIAL NOTICE #57730 Document Imaging and Management System

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**THE HOUSING AUTHORITY, CITY OF MILWAUKEE (HACM)**, will receive an unbound original, three copies and one copy in digital format, until 2:00 p.m. (CDT) on Monday, April 4, 2016 for a Document Imaging and Management System at the Housing Authority of the City of Milwaukee Bid Desk, located on the second floor at 650 West Reservoir, Milwaukee, Wisconsin 53212. All proposals must be time-stamped no later than 2:00 p.m., (CDT) Monday, April 4, 2016 at the BID DESK, in order to be considered.

Copies of the Request for Proposals may be obtained at the address of the Bid Desk above free of charge or via the Internet at [www.hacm.org/Procurement](http://www.hacm.org/Procurement). Ms. Melissa Krotts can be reached at (414) 286-5892 or via email at [mkrott@hacm.org](mailto:mkrott@hacm.org) to answer any questions regarding this Request for Proposal.

This solicitation is subject to provisions for participation of Section 3 businesses and residents. The Section 3 provisions are part of the solicitation documents. Inquiries regarding Section 3 participation may be directed to Evans Gant, Section 3 Coordinator, 414-286-2940, [evgant@hacm.org](mailto:evgant@hacm.org).

**THE HOUSING AUTHORITY OF THE CITY OF MILWAUKEE  
IS AN EEO/AA/ADA EMPLOYER.**

809 North Broadway, P.O. Box 324  
Milwaukee, Wisconsin 53201  
By: Antonio M. Perez, Secretary-Executive Director

3/4/2016 & 3/11/2016

**Request for Proposals  
for  
Document Imaging and Management Systems**

**I. Background**

The Housing Authority of the City of Milwaukee herein after referred to as "HACM" was established by the City of Milwaukee under Wisconsin State statute in 1944. The HACM is governed by a Board of Commissioners consisting of seven individuals appointed by the Mayor and confirmed by the Common Council for a five-year term.

The HACM is one of the City of Milwaukee's largest landlords, managing more than 5,000 affordable and market rate housing units as well as several non-dwelling structures located throughout the City of Milwaukee. Properties include high-rise buildings for the elderly and disabled, rowhouse/apartment housing developments for families, and more than 500 individual residences throughout the city. Non-dwelling structures include community centers, schools, office buildings, and maintenance/operations facilities. In addition to the managed housing units, HACM provides more than 5,700 people with Section 8 Housing Choice vouchers (Rent Assistance) to live in privately-managed units. The Housing Authority is governed by U.S. Department of Housing and Urban Development (HUD) rules and regulations as well as applicable state and local ordinances.

**II. Scope of Services (includes, but is not limited to)**

The HACM is seeking the services from qualified, experienced firm(s) or individuals hereinafter referred to as "Firm" to implement a new system in which all paper files are stored and organized electronically. It is the intent that, after document imaging is complete, this new system would allow electronic management of files and provides the ability to add, review, retrieve, and share the information in a more efficient manner than is currently possible in the paper-based system. In addition, the system selected should provide a means for organizing employee files in a manner that makes good business sense and provide controls and limitations for access to the files throughout the organization.

Some challenges the HACM is experiencing are:

1. Numerous files in too many locations
2. Document Tracking
3. Renewal Notifications
4. Capability of interfacing with current applications such as Multi-View, AccountMate, Visual Homes and Scan Snap.

### **III. Terms and Conditions**

#### **A. Timeline**

RFP distributed	3/4/2016
Deadline for questions submitted in relation to RFP	3/21/2016
Deadline for receipt of RFP responses	4/04/2016
Webinar/Onsite vendor demonstrations	week of 4/11/2016
System implementation (estimate)	5/02/2016

#### **B. Deliverables**

HACM and the firm will come to an agreement regarding the timeline, work plan and due dates for deliverables.

#### **C. Release of Information**

Information submitted in response to this RFP will not be released by HACM during the proposal evaluation process or prior to a contract award.

#### **D. Confidential or Proprietary Information**

If a firm includes proprietary information in its response that should not be disclosed, the firm is required to identify this proprietary information using the information in **Exhibit B**. If the firm fails to identify proprietary information, it agrees by submission of its response that those sections shall be deemed nonproprietary and may be made available upon public request after a contract award.

#### **E. Personnel**

In submitting proposals, firms are representing that the personnel and third party providers described in their proposals and submission packages shall be available to perform the services described, barring illness, accident, or other unforeseeable events of a similar nature, in which case the firm must be able to provide a qualified replacement. Furthermore, all personnel shall be considered to be, at all times, the sole employees of the firm under its sole direction, and not employees or agents of HACM.

### **IV. Proposal Submission Requirements and Selection Procedures**

#### **A. Proposal Contents**

Firms responding to this RFP must provide the following information in their proposals. Brevity is encouraged

## **1. Title Page**

The title page should include "Request for Proposals – Official Notice #57730 Document Imaging and Management Services, the name of the firm, address, telephone number, name of contact person, e-mail address, fax number, and date.

## **2. Letter of Transmittal**

The letter of transmittal should include an affirmative statement of your understanding of the work to be performed. The names of those authorized to make representations on behalf of the firm, their titles, addresses, and phone numbers must be included. The name of the primary contact person must accompany the submission, along with title, telephone/fax numbers and email address.

## **3. Staffing**

All key staff to be assigned to this project must be identified. A short professional biography of each staff person who will be assigned to the project should be included. The project manager or team leader should be clearly identified along with the roles and time commitments of various team members.

Information about any proposed third party providers and the staff who would work on the project must also be included.

## **4. Vendor Profile**

- Provide a brief (1-2 paragraphs) background of your organization, including the year it was founded.
- Provide a brief (1-2 paragraphs) background of the solution you are proposing
- Describe your partnership with Microsoft from a product, technology, and business perspective.
- Describe what generally differentiates you from your key competitors.
- Describe your market share in the ECM space.
- How many organizations have implemented your solution overall? How many governmental agencies?
- How many organizations are still running your solution with active maintenance and support contracts (i.e., lifetime customer retention)?
- How many organizations have implemented your solution in the past fiscal year?
- Describe your customer retention.
- Describe the company's commitment to Research and Development.
- Describe the customer industries you service.
- Provide three (3) customers, who have implemented a solution similar, to the HACM. Include company name, location, inception date, and solution specifics. Please provide point of contact for these businesses or municipalities, municipalities preferred.

## **5. Cost**

The firm must provide a Total Project Cost and a breakout by type of cost (cost per user, implementation costs, training, annual fees, reimbursable expenses, etc.). Please include any and all costs that will be billed to the HACM.

The firm must clearly indicate both upfront and ongoing expenses. Any ongoing expenses must include notice of rate change policies and procedures.

Specify costs for providing ongoing support and maintenance.

## **6. Functional Requirements**

### **A. Access**

#### **Client User Interface**

- Users can easily navigate and perform their primary job and with intuitive ribbon-style toolbars, tabs, and easy access features that are based on the familiar look and feel of Microsoft Office products.
- Client provides capabilities for users to personalize their user experience (e.g., personalized home page that opens to personal workflow lifecycles, stored favorite retrievals, etc.).
- Client displays all of the associated information about a document right alongside the image itself – displaying index values, notes, related documents, revisions, discussion threads, and document history.
  - Client provides ability to display the document being indexed in a preview pane during the indexing process.
- Client provides the ability to auto-import camera images and media files directly from a connected device.
- Client enables users to play, stop, and pause multimedia files (audio/video) with the native viewer.

#### **Web Client Interface**

- Web Client provides a dashboard component to create and manage personalized interfaces that present end users with access to priority content and tasks (e.g., workflow status report, commonly used document searches).
- Solution offers full support for web browsers on the Windows platform.
- Solution provides one central GUI for administration and deployment of capture products.

#### **Search Experience**

- Solution provides ability for meaningful document names to appear in a search results list that can contain both static text as well as defined index values, offering a more detailed description of the documents returned.
- Solution provides advanced full text search capabilities that include fuzzy, inflectional, thesaurus, proximity, wild card, etc.
- Solution allows users to search for multiple document types (e.g., text, image, PDF, Word, etc.) in one search.
- Please provide a detailed list of methods and features by which documents can be searched within the system?

### **Search – Microsoft Office**

- Solution provides capabilities to not only retrieve and archive to the ECM system from the native office toolbar, but also search and retrieve ECM stored content from directly inside the native office application.

### **Retrieval**

- Solution provides ability to automatically link related documents of similar or different file types to each other (e.g., a mainframe-generated text file to a TIFF image).

### **Integrated Workflow**

- Solution's workflow experience is integrated to provide task buttons and user interaction on a menu right from selected or open documents through standard document retrieval (i.e., user does not need to enter the workflow client). Provide a screen shot depicting this embedded workflow functionality in your viewer.

### **Mobile Devices**

- Solution provides natively built interfaces to standard mobile devices - BlackBerry, iPad, iPhone, Windows Phone, and Android.

### **Client Deployment**

- System offers an easily deployable solution for the client interface, minimizing administration overhead and supporting IT policies.

### **E-Mail Integration**

- Solution allows e-mails and attachments to be imported and fully indexed into the system.
- List the versions of Microsoft Outlook that you support.

### **E-Mail Archive**

- Solution provides an E-mail Archive that offers the ability to assign time-based retention to e-mails with the ability to put an e-mail or group of e-mails "on hold," preventing automatic destruction.
- Solution supports single instance storage of both e-mail and attachments. For example, e-mails and attachments are only stored once in the E-mail Archive, with the sender and all recipients pointing to one record/file.
- Solution provides the ability for users to access an e-mail in the archive directly from their client.

## **B. Capture**

### **Capture**

- Describe your solution's native, individual capture solutions.
- Describe your ability to automatically classify and index images.

- Describe the system's ability to perform Quality Assurance (QA) / verification of captured image documents. For instance, the solution should provide options to QA image quality and / or index accuracy. It should also provide a simple image re-scan process that automatically replaces the poor images with the newly-scanned images.
- Solution's capture process allows for page separation and retrieval. This should include the separation of image and PDF file types.

### **Capture – Electronic**

- Describe your solution's capabilities related to electronic capture.
- Describe your solution's ability to OCR.
- Are there any restrictions and/or additional license fees for OCR processing?
- Describe the solution's support of sweeping images and other file types from a network directory, providing an indexing interface for viewing those documents while classifying and indexing them.
- Describe the ability to import content into your repository from directly within an application such as Microsoft Word or Excel.
- Does the system allow for importing/replicating existing Windows folder structures and files in the system?
- Is the context of all scanned items fully searchable? (OCR) Describe.

### **Fax/Multifunction Product Integration**

- Solution provides ability to integrate with other devices (fax, MFP) as a means of ingesting documents into the system.

### **SharePoint**

- Describe the capabilities you offer for scanning through the Microsoft SharePoint interface.

### **Indexing**

- Describe the indexing capabilities available within your solution.

### **Recognition Technologies**

- Describe the system's ability to natively provide data and text extraction capabilities for scanned image documents, including OCR, ICR, OMR, bar codes, and signature detection.

### **Revision Management**

- Describe the solution's ability to control and track the modification of documents through multiple revisions, allowing users to view prior revisions and track document history. The solution should clearly display the number of revisions associated with a specific document. The solution should allow for the addition of comments per revision.
- Solution provides ability to stamp a specific revision of a document as a version, limiting which revisions of a document a certain user can see.



## **Scalability**

- Describe the features that enable your system to scale for high-volume imaging applications.

## **C. Process**

### **User Environment**

- Solution's workflow configuration and user interface environments are integrated with the rest of the ECM solution (i.e., you can access the workflow interface from within the client environment).

### **Process Design**

- How many configurable workflow business rule templates are available, out-of-the-box, with your system? Explain what parameters are available, excluding any scripted capabilities, upon configuration.
- How many configurable workflow actions are available, out-of-the-box, with your system? Explain what parameters are available, excluding any scripted capabilities, upon configuration.

### **Process Initiation**

- Solution allows documents to be added to a workflow in several different ways, including:
  - Scanning
  - Enterprise text report processing
  - Electronic forms processing
  - Document import processing
  - API
  - E-mail interface
  - Drag and drop from a line-of-business application screen
- Adding documents already stored within the solution's repository to a workflow process at a specific point-in-time
- Immediately upon import, based on the document type, the solution automatically identifies with which workflow processes to associate a given document.
- Associated fees to each process.

### **Configuration**

- Solution provides ability for the workflow process to interact directly with defined Web services, allowing external data received to be used as part of a workflow process (i.e., confirm a delivery date from a website such as ups.com). This is to be accomplished out-of-the-box with point-and-click configuration.

### **Work Distribution**

- Solution allows for the automatic distribution and sorting of work based on load balancing rules. Rules should include role, availability, percentage, order of arrival, index values, or the size of existing workloads for users, as well as

custom- built work distribution rules. This load balancing should also allow for the rebalancing of work to users if inequity is discovered within the workflow processes.

### **User Experience**

- Solution provides for customized instructions to be displayed within the workflow application, directing the end user on what functionality they can or should execute.

### **Decision Making**

- Describe the system's ability to dynamically query, directly within the workflow interface, related documents associated to the transaction to provide better decision making.
- Describe your workflow solution's ability to provide, out-of-the-box, visual indications of missing documents required of a work packet.
- Describe your workflow system's ability to conditionally present a targeted set of user tasks, based on role and step of the process, to assist with processing decisions.
- Describe the system's ability to retrieve or perform activity on related documents that may exist in the solution's ECM repository (file server), outside of the documents that currently exist within various stages of the workflow process.
- Describe the system's ability to provide for a document in a workflow to check an attribute (document property or index value) on a related document and make a processing decision, such as how the document is to be routed, based on pre-configured logic and rules.
- Solution provides the ability to perform parallel processing by automatically routing a single document through multiple business processes simultaneously and allowing multiple users to access and work on the same document.
- Upon execution of a task within a workflow process, solution provides the ability to automatically present a prompt requesting additional information for downstream processing (e.g., hiring manager determines a candidate as a "no fit" for a given position and is prompted for feedback on candidate's positioning for a role elsewhere in the organization). This is to be accomplished out-of-the-box with point-and-click configuration.

### **Routing**

- Many workflow processes require the user to select a simple decision task such as "approve" or "deny." Explain how additional out-of-the-box tasks can be presented to users, allowing them to execute more business-specific functions (e.g., simple tasks such as print, annotate, and email; advanced tasks such as calling out to external systems, advanced routing, document composition, or the creation of an e-form).

## **Integration**

- Solution provides the ability to present and access workflow from the locations noted below. This should be accomplished out-of-the-box or through a productized offering. Provide a screen shot depicting this functionality within these viewers.

- BlackBerry
- iPad
- iPhone
- Windows Phone
- Droid
- Standard Client
- Outlook
- Web Client
- Line-of-Business Application
- SharePoint
- URL string

## **Reporting**

- Solution produces reports utilizing custom transactions (e.g., approval time stamps added by a specific user during a transaction).

- Solution provides preconfigured workflow reports that detail processing information such as:

- Average Time to Process Document per Lifecycle
- Daily Workflow Usage
- Document Process Time per Workflow Queue
- Documents Processed per Queue
- Documents Resident per Queue
- High or Low Document Processing Identification
- Queue Processing Time per User in Minutes

Describe the specific report(s).

## **D. Integrate**

### **Non-Programming Integration**

- From a data-centric business application, based on account / record information presented on the screen, system allows users to retrieve ECM stored documents without custom programming, API programming, scripting, or modifications to the existing application.

- Solution provides the ability to execute separate and distinct document retrievals from sections/fields on the screen.

- Solution provides integrations with Microsoft Outlook, allowing users to access ECM functionality and import emails and attached documents into the repository directly from their email interface.

- Non-programmatic configuration enables your system to be auto-aware of any business application that is integrated for document retrievals (meaning a user

does not have to manually declare the business system in which they are working).

- Solution provides http URL requests to retrieve documents, present workflow interfaces, and present a folder interface in lieu of custom programming.

## **E. Store**

### **Records Management**

- Records management functionality provided by the solution is native without requiring integration with a third-party or external tool.
- Solution allows for multiple documents to be grouped together and treated by the system as a single record, with a single retention plan.
- Solution provides the ability for a document(s) to be dragged and dropped into a record (folder of documents) and have this new document automatically inherit the records management policy.
- Does the system support document record retention policies? If yes please list the types of policies supported?
- Describe how the retention element is managed

### **Record Types**

- Solution allows users to capture, declare, and store electronic records (documents) in their native formats, including e-mail, electronic forms, physical items, images, text files, and Office documents.

### **Hold**

Solution provides the ability to place a hold (or multiple holds) on a record's retention rules, as in the case of an audit or legal discovery.

### **Auditing**

- Solution provides the ability to identify both complete and incomplete records across the entire repository.

### **Purging**

- Solution provides a variety of destruction options, including the ability to keep both index values and files permanently, keep only index values, or purge both index values and files with or without a history log (certificate of destruction).
- Describe certificate of destruction creation.

### **Searching**

- Solution provides an easy way for administrators to locate / filter records.
- Please provide a detailed list of methods and features by which documents can be searched within the system?

## **F. Measure**

### **Auditing**

- Solution provides the ability to access a document-level audit trail directly from the document.
- Describe what information is natively tracked in your out-of-the-box audit trail.
- Solution allows a system administrator to perform an ad hoc audit on system-related activities from within the client (e.g., identification of all documents accessed by employee).
- Solution allows an administrator to create custom audit log entries tied to workflow progress for the purpose of generating business process reports.
- Can a list of all prior document revisions be maintained in the system? Describe.

### **Reporting**

- Solution's reporting tool directly integrates with Microsoft Excel, allowing users to build reports natively in Excel utilizing the ECM system attributes.
- Solution provides, within Microsoft Excel, point-and-click data mining and modeling of text-based reports stored within your repository.

### **Exception Reporting**

- Solution provides a report that identifies matched, unmatched, or missing numeric and / or character index values between a primary document and secondary document(s) (i.e., automated reconciliation report).
- Based on the exception identified, solution automatically routes exception items from the exception report to a workflow for proper resolution. This should be accomplished without any coding.

## **7. Technical Requirements**

### **A. System Architecture**

#### **Index Value Configuration**

- Provide an overview of the different metadata types you support (e.g., date, date and time, currency, specific currency, alphanumeric, numeric, floating point, etc.).
- Solution provides point-and-click configuration for index values, with multiple pre-configured formats (e.g., date: dd/mm/yyyy, mm/dd/yy, mm/dd/yy).

#### **Document Linking**

- Solution provides an underlying ability to easily pre-define document relationships for use in search and retrieval.

#### **Database**

- Are there limitations (from a database perspective) regarding how many documents can be stored within the system?
- List all database platforms supported/ utilized by your solution?

### **Scalability**

- Does the system provide scaling-up as well as scaling-out deployment capabilities?

### **Storage Options**

- Solution allows the archiving of documents to various media, including:
  - Windows file servers, to allow the leveraging of Share and NTFS permissions
  - CD, DVD or Blu-ray

### **Storage Formats**

- Solution stores documents in their original, native file format, not in a proprietary format, so that we are not forced to use your software to access our data.
- How many, and what native file formats do you support? For unique file types, explain how you handle storage. Are there limitations as to the types of documents that can be stored?

### **SharePoint**

- Describe the solution's capabilities for providing high-volume storage for SharePoint content (i.e., SharePoint archiving).

### **Export**

- Solution should contain an export tool for massive exporting of content in a non-proprietary format. This should supply both the document and the index values.

### **Off-line**

- Users have the ability to check documents out of the system for access via a localized copy that can be worked on, checked back in, and processed automatically.

### **Administration**

- For increased efficiencies in backup and database sizing, content is stored with pointers in the database to file storage locations, as opposed to a blob in the database.

### **Security**

- System must have the option to limit access to the storage locations based on service accounts.

### **Encryption**

- Solution provides the ability to encrypt data at the database level and at the file storage level, as well as content that has been backed up / at rest.

## **B. Configuration**

### **Administration Interface**

- System provides a single interface for the configuration and administration of all major system components (e.g., import processing, document type configuration, index value configuration, workflow, user groups and rights, storage structure, scanning, records management, scripting, etc.).
- Solution allows for ease of configuration, in that most administrative tasks (e.g., adding new document types and index values, user administration, configuring workflows, etc.) can be done by an internal resource as opposed to a third-party software expert.

### **Workflow Configurability**

- Describe in detail how workflows are designed, created, and the level of scripting or any custom coding that is required.
- Can business users modify business processes without having to rely on a system administrator to make the changes? If so, does this also allow for continued, uninterrupted access to the system when changes are made?

## **C. Infrastructure**

### **Database**

- The database architecture supports multi-vendor platforms, specifically Microsoft SQL.

### **Virtualization**

- Describe your solution's support for virtualization.

## **D. Security Administration**

### **Security**

- Describe the depth and breadth of your system's security methodology, rights and privileges.

### **Authentication**

- Describe the solution's different security options for logging into the system, allowing the system administrator to decide which option is the best for our company (e.g., using a separate security model for an additional logon and password, NT Authentication, integration with Windows® Active Directory, or single sign-on authentication).

### **Encryption**

- Describe your solution's ability to publish select content onto removable media (CD / DVD) in an encrypted format, allowing access to a self-contained / runtime version of your client.
- Describe your solution's ability to send documents as an encrypted PDF.

### **Workflow Administration**

- To accommodate multi-departmental / enterprise deployments involving numerous administrators, explain how your system segregates workflow administration privileges.

### **Administration**

- Describe the system's ability for designated users to perform the following administrative tasks via the client:
  - Add new users
  - Change and reset passwords
  - Apply rights to users or user groups
- Provide a general description of the client licensing methods you offer for user access? (Per workstation, user, concurrent user etc.)

### **E. Scalability**

#### **Test Environments**

- Solution allows for development, test, and disaster recovery environments with no additional licensing fees.

#### **Expansion**

- After our initial investment, if we intend to add on additional departments, describe how your software could accommodate this growth.
- What is the base software offering and what additional modules are available and their related costs.

#### **Index Values**

- System supports an unlimited number of customer-defined, first class, index value fields per document within one storage structure. These fields should be of various formats, including date, currency, alphanumeric, and numeric. (Second class index value fields would include any additional information stored about a document separate from the primary document index structure.)
- Index fields defined with a static and/or dynamic list or table of choices. Please describe.

#### **Image Storage**

- System utilizes a file storage system to store documents, as opposed to storing directly into the database.

#### **Batch Processing**

- Describe how your system supports the ingestion of large volumes of transactions during peak processing timeframes.



**Capacity**

- What is the maximum number of documents the system can hold? Are there any additional license fees, restrictions or limitation associated with the capacity?

**Document Caching (Distributed and Global Deployments)**

- Does the system deliver efficient access to documents over a WAN (distributed and global environments)?

**8. Implementation, Support and Training****A. Implementation**

- Describe your implementation processes and procedures.
- Describe the roles and responsibilities the vendor will have during an implementation.
- Describe the roles and responsibilities the customer will have during an implementation.
- Provide a sample of the structured project implementation plan utilized.
- Describe the vendor resources provided for ongoing maintenance and user support.
- Describe customer support availability

**B. Technical Support**

- Describe your technical support organization and structure.
- What hours is your Technical Support department available?
- Describe how support issues are logged.
- Do you provide a way to check the status of an issue online?
- Detail your problem escalation procedure.

**C. Software Support**

- Provide a detailed description of the initial and ongoing client support offered by your company.
- Describe how consistently new versions of the software are released.
- Describe how software changes or enhancements are incorporated into a release.
- Explain how long a release is maintained.
- Detail the software license costs or upgrade costs typically incurred with an upgrade to a new release.
- Describe the maintenance and software upgrade support that is provided.

**D. Training**

- Describe the training that is available to the customer's personnel and if it is available onsite.
- Do you provide a train-the-trainer technique within your training offerings?
- Do you provide web-enabled training courses and tutorials?
- Do you have a website dedicated to training?

- Do you offer a full array of live interactive training (including solution certification) via the internet?
- Describe subscription-based training services available, providing our organization with on demand, online training for one price.

**9. DBE/MBE/WBE Participation – See attached Exhibit A;** all respondents shall return a completed Form A of Exhibit A with the proposal.

**10. Section 3 Requirements –** Respondents shall disclose the activities that they intend to undertake to comply with the Section 3 requirements (**See Exhibit C**). If you have any questions regarding Section 3 requirements/forms, please contact Evans Gant, Section 3 Coordinator at 414-286-2940.

## **V. Submission Clarification and Deadline**

An unbound original proposal, three copies and one copy in digital format, should be submitted to HACM's Bid Desk no later than 2:00 p.m. (CDT), Monday, April 4, 2016. Late submissions will not be accepted.

Proposals should be mailed or delivered to:

Housing Authority of the City of Milwaukee  
Bid Desk  
650 W Reservoir Street  
Milwaukee, WI 53212

**Please identify the envelope as being: Proposal #57730, Document Imaging and Management System, due Monday, April 4, 2016 at 2:00 p.m. (CDT). All proposals MUST be time stamped on or before 2:00 p.m. (CDT) on the due date, at the bid desk, in order to be considered.**

In the event that you are not interested in being considered at this time, we would appreciate a short letter or email to [mkrott@hacm.org](mailto:mkrott@hacm.org) from you for our files.

All expenses associated with the preparation and submission of the proposals to the HACM and participation in interviews shall be solely born by the respondent.

## **VI. Evaluation Criteria and Selection of Firm**

Proposals must include complete information on each of the following criteria in order to enable the HACM to make accurate determinations regarding the qualifications of each firm. Each criterion will be weighted as indicated.

POINTS	CRITERIA FOR EVALUATION
20	Organization's experience
20	Support methodology
15	Cost
15	Response to functional requirements
15	Response to technical requirements
15	Implementation complexity
100	TOTAL

Before a respondent is considered for award, the respondent may be requested by HACM to submit a statement or other documentation regarding any of the foregoing requirements. Failure to provide such additional information may render the respondent ineligible for award.

HACM reserves the right to waive informalities in any proposals, reject any or all proposals in whole or in part, with or without cause, and to accept that proposal which in its judgment best meets its needs.

Proposals will be evaluated by staff of HACM. All proposals will be evaluated against the evaluation factors stated in this RFP. HACM may invite the highest ranked respondent to participate in an interview. If one or more interviews are to be scheduled, a letter will be sent to the respondent(s) that is/are selected to participate, and this/these respondent(s) may be asked to provide more specific written information about their qualifications, methodology, and costs. Respondent(s) participating in the interviews must include the project manager and senior staff who will work on this project.

After the interviews are completed, HACM will negotiate with the highest ranked respondent and arrange for any necessary meetings to allow for evaluation and modification of the proposal, if necessary. The respondent will also be asked to submit its best and final offer for consideration. If HACM cannot reach agreement with the highest ranked respondent, HACM will contact the next highest ranked respondent and repeat the same procedure. HACM will continue this procedure until an agreement is reached with the most qualified respondent that provides a fair and reasonable cost.

The HACM reserves the right to request additional clarifying information from the prospective firm over and above that included in the proposal submission, and consider information about a respondent in addition to the information submitted in the response or interview.

Pending successful negotiation with the most qualified respondent a contract will be executed with the firm.

After the contract is awarded, all of the respondent(s) who submitted a proposal will receive a written acknowledgement of their proposal. HACM will not reimburse respondent(s) for any expenses associated with the submission of proposals or participation in the interviews.

## VII. Contract Terms

### A. Insurance Requirements:

The proposed contract will require that the firm provide the following insurance:

<u>COVERAGE</u>	<u>AMOUNTS</u>
Worker's Compensation	Statutory Limit
Comprehensive General Liability	BI \$500,000 per occurrence PD \$500,000 per occurrence \$1,000,000 aggregate
Automobile Liability	BI \$500,000 per occurrence PD \$500,000 per occurrence \$1,000,000 aggregate (single limit policy)
Professional Liability	\$1,000,000

If any insurance is due to expire during the period of work, the firm shall not permit the coverage to lapse and shall furnish evidence of continuous coverage to the HACM. Furthermore, the HACM shall be named as an additional insured with respect to liability coverage and will be given thirty (30) days' notice in advance of cancellation, non-renewal, or material change in any coverage.

### B. General HACM RFP Requirements

#### 1. Interpretations of RFP

Any requests for interpretation should be submitted in writing to Melissa Krotts/Housing Authority, 809 N Broadway, 3<sup>rd</sup> floor, Milwaukee, WI 53202 or via email at [mkrott@hacm.org](mailto:mkrott@hacm.org) by Monday, April 21, 2016 by 4:00 P.M. (CDT). No oral interpretations will be made to any firm as to the meaning of the RFP specifications. All interpretations will be summarized in the form of an addendum to the RFP, which will be posted on HACM's website, <http://www.hacm.org/Procurement> at least five days before closing of Requests for Proposals. All such addendum(s) shall become a part of the contract, and all firms shall be bound by such addendum. Addendum shall be signed and returned with the RFP.

No information will be available to any firm regarding the status of their response. However, HACM reserves the right to enter into discussion with firms for purposes of clarification or further information.

#### 2. Responsibility of Prospective Firm

The HACM shall award a contract only to a responsible prospective firm who is able to perform successfully under the terms and conditions of the proposed contract. A "responsible" prospective firm must:

- a. Have adequate financial resources to perform the contract, or the ability to obtain them;
- b. Have a satisfactory performance record;
- c. Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- d. Not have been suspended, debarred or otherwise determined to be ineligible for award of contract by the U.S. Department of Housing and Urban Development or any other agency of the U.S. Government.

### **3. Receipt of Proposals**

Proposals received prior to the time of opening will be secured. The officer whose duty it is to open them will do so after 2:00 pm (CDT) on the closing day, and no proposal received thereafter will be considered. No responsibility will be attached to an officer for the premature opening of a proposal not properly addressed and identified.

Respondents are cautioned to allow ample time for transmittal of proposals by mail or otherwise. Respondents should secure correct information relative to the probable time of arrival and distribution of mail at the place where proposals are to be forwarded.

### **4. Withdrawal of Proposals**

Proposals may be withdrawn on written request dispatched by the respondent in time for delivery in the normal course of business prior to the deadline for submission. Negligence on the part of the respondent in preparing their proposal confers no right of withdrawal or modification of the proposal after such proposal has been opened.

### **5. Rejection of Proposals**

HACM reserves the right to reject any and all responses and waive any irregularities and the proposal of any respondent who: 1) has previously failed to perform properly or completed a contract(s) of a similar nature on time; 2) is not in a position to perform the contract, or 3) has habitually and without just cause neglected the payment of bills or otherwise disregarded his/her obligations to subcontractors or employees.

### **6. Contract Payments**

HACM and the firm will agree on a performance and payment schedule. The firm will submit an invoice to HACM itemizing the services performed and cost incurred since the last request for payment. Payment will be made after review of the HACM's work product and upon acceptance by HACM of the services performed.

**7. Sales Tax**

Pursuant to Section 77.54(9a) of the Wisconsin State Statutes, the HACM is exempt from Wisconsin Use and Sales Tax. Respondents, therefore, shall not add State of Wisconsin sales tax or use tax to their proposals, but shall include in their lump sum proposals only the taxes they will be required to pay directly as a consumer, when obtaining materials, etc. to fulfill the contract requirements should they be the successful firm. Firms are, however, responsible for determining the impact of the State of Wisconsin's Sale and Use Tax on their proposal.

**8. Request for Proposal**

This RFP is not an offer to buy and must not be assumed as such.

**9. Indemnification**

The firm agrees that it will indemnify, save and hold harmless the HACM their officers, employees, or agents, from and against all claims, demands, actions, damages, loss, costs, liabilities, expenses, judgments, and litigation costs, including reasonable attorney's fees, photocopying expenses and expert witness fees, recovered from or asserted against the HACM on account of injury or damage to person or property or breach of contract to the extent that such damage, injury, or breach may be incident to, arising out of, or be caused, either directly or proximately, wholly or in part, by an act or omission, negligence or misconduct on the part of the firm or any of its agents, servants, employees or subconsultants.

The HACM shall tender the defense of any claim or action at law or in equity, arising out of or otherwise related to an act or omission, negligence, misconduct, or breach of contract on the part of the HACM or any of its agents, servants, employees or subcontractors, to the HACM or its insurer and, upon such tender, it shall be the duty of the firm and its insurer to defend such claim or action without cost or expense to the HACM.

**11. Slavery Disclosure**

"If the successful firm was in existence during or prior to the slavery era (i.e. before 1865), then the bidder shall complete an Affidavit Of Compliance For Disclosure Of Participation In Or Profits Derived From Slavery By Contractors affidavit in accordance with Milwaukee Code of Ordinance 310-14 before a purchase order or contract can be executed (unless such an affidavit has already been submitted and it is on file with the Business Operations Division of the City of Milwaukee). For details on this requirement, see the following website:

<http://city.milwaukee.gov/Directory/Procurement/Forms.htm#.U4oSpKMo71I>"

**12. Wisconsin Public Records Law**

Both parties understand that the HACM is bound by the Wisconsin Public Records Law, and as such, all of the terms of this Agreement are subject to and conditioned on the provisions of Wis. Stat. 19.21, *et seq.* The firm acknowledges that it is

obligated to assist the HACM in retaining and producing records that are subject to Wisconsin Public Records Law, and that the failure to do so shall constitute a material breach of this Agreement, and that the firm must defend and hold the HACM harmless from liability under that law. Except as otherwise authorized, those records shall be maintained for a period of seven years after receipt of final payment under this Agreement.

### **13. Legal Obligations**

Compliance with Law in General. The firm shall comply with all the requirements set forth in the Housing and Community Development Act of 1974 and all regulations promulgated pursuant to this Act as contained in 24 CFR 570. The firm shall also comply with all other applicable federal, state and local laws and ordinances, including Affirmative Action. The firm shall assure that its subcontractors/consultants comply with all applicable federal, state and local laws and ordinances.

Compliance with Specific Federal Laws and Regulations. In addition to Law in General above, the Underwriter shall comply with all Federal laws and regulations as referenced or set forth below.

(1) Intellectual Property.

A. Copyrights. If this Contract results in book or other copyrightable materials, the author is free to copyright the work, but HACM reserve a royalty-free non-exclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, all copyrighted material and all materials which can be copyrighted.

B. Patents. Any discovery or invention arising out of or developed in the course of work aided by this Contract shall be promptly and fully reported to the HACM for determination as to whether patent protection on such invention or discovery shall be sought and how the rights in the invention or discovery, including rights under any patent issued thereupon, shall be disposed of and administered in order to protect the public interest.

### **14. Termination of Contract for Cause/Convenience**

If, through any cause, the firm shall fail to fulfill in a timely and proper manner their obligations under this contract or if the firm shall violate any of the covenants, agreements or stipulations of this contract, HACM shall thereupon have the right to terminate this contract by giving written notice to the firm of such termination and specifying the effective date thereof, at least five work days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, reports, or other material related to the services prepared by the firm under this contract shall, at the option of

HACM, become the property of HACM. On HACM's option and sole discretion, HACM shall determine and pay for the value of services already performed by the firm. Notwithstanding the above, the firm shall not be relieved of liability to HACM for damages sustained by HACM by virtue of any breach of the contract by the firm.

Termination for Convenience of the HACM. The HACM may terminate this Contract at any time for any reason by giving at least ten (10) days' notice in writing from the HACM to the firm. If the firm is terminated by the HACM as provided herein, the firm will be paid an amount which bear the same ratio to the total compensation as the services actually and satisfactorily performed bear to the total services of the firm covered by this Contract, less payments for such services as were previously made. Provided, however, that if less than sixty percent (60%) of the services covered by this Contract have been performed upon the effective date of such termination the firm shall be reimbursed (in addition to the above payment) for that portion of the actual out of pocket expenses (not otherwise reimbursed under the Contract) incurred by the firm during the Contract period which are directly attributable to the uncompleted portion of the services covered by this Contract. If this Contract is terminated due to the fault of the firm, Paragraph (VI.C) above, relative to termination, shall apply.

**15. Equal Employment Opportunity**

The firm agrees that there will not be discrimination as to race, sex, sexual orientation, religion, color, age, creed, or national origin in regard to obligation, work, and services performed under the terms of any contract ensuing from this RFP. Firm must agree to comply with Executive Order No. 11246, entitled "Equal Employment Opportunity" and as amended by Executive Order No. 11375, as supplemented by the Department of Labor Regulations (41 CFR, Part 60).

**16. Ethics**

HACM may not enter into a contract, subcontract, or arrangement in which any of the following classes of people has an interest, direct or indirect, during his or her tenure or for one year thereafter: 1) any present or former member or officer of the HACM Commissioners, or any member of the HACM Commissioners immediate family; 2) any employee of HACM who formulates policy or who influences decisions with respect to the contract, or any member of the employee's immediate family or the employee's partner, or 3) any public official, or State or local legislator, or any member of such individuals' immediate family who exercises functions or responsibility with respect to the contract or the HACM



EXHIBIT A

# HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)

## PRIME CONTRACTOR FORMAL CONTRACT PROVISIONS FOR SUBCONTRACTING WITH EMERGING BUSINESS ENTERPRISES\*

FEDERAL DOLLARS       NON-FEDERAL DOLLARS

Where Federal dollars are involved, these Provisions will specify MBEs and WBEs. Where the funding source is non-Federal dollars, these Provisions will designate the utilization of DBEs.

\*Disadvantaged Business Enterprise (DBE)

\*Minority Business Enterprise (MBE)

\*Women Business Enterprise (WBE)

### I. GENERAL

- A. In accordance with City of Milwaukee Ordinance 360 and HUD Regulations: 24 CFR 85.36(e); 24 CFR Part 135; and 24 CFR 968.100, DBE, MBE and WBEs shall participate in all Formal Contract activities of the **HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)**. Participation of DBEs, MBEs and WBEs shall be determined by the source of contract dollars as explained above. The target participation percentages are 18% or more for DBEs, 20% or more for MBEs and WBEs.
- B. HACM is its own CONTRACTING OFFICER and requires DBEs to be currently certified by the City of Milwaukee or any other Wisconsin government entities with race and gender- neutral certification programs. MBEs and WBEs, must be currently certified by race and gender based certification program such as the State of Wisconsin Department of Commerce, any other Wisconsin governmental entities or the Federal Government's (8a) Business Development Program.

**This contract calls for:**

20 % MBE, WBE, or any combination thereof subcontract participation.

- C. The prime contractor shall prepare and submit timely and accurate DBE, MBE and WBE utilization forms and reports to the HACM. The reports shall include, but not be limited to the following DBE, MBE and WBE reports:

1. Form A: Affidavit of Compliance (Contractor's Commitment to D/M/WBE percent participation)
2. Form B: Prime Contractor List of DBE Subcontractors.
3. Form B-1: Prime Contractor List of MBE and WBE Subcontractors.
4. Form C: Monthly and Final Subcontractor Utilization Report.
5. Form D: Monthly Subcontractor Payment Certification Form.

Failure to submit the required forms and reports fully completed to the HACM may result in actions, such as rejection of the bid and delay of payments or other appropriate actions. Final contract payments will not be made until final DBE, MBE and WBE subcontractor payment certification forms are on file with the HACM.

- D. During the performance of this contract, the HACM reserves the right to conduct compliance reviews of the prime contractor and DBE, MBE and WBE and require documentation that will indicate levels of compliance by the prime contractor and DBE, MBE and WBE. If the contractor is not in compliance with the specifications, the HACM will notify the contractor in writing of the need to take corrective action. If the contractor fails or refuses to take corrective action as directed, the HACM may take one or more of the following actions:

1. Terminate or cancel the contract, in whole or in part.
2. Recommend HUD debarment of the prime contractor from bidding.
3. Withhold payments on the contract.
4. Any other remedy available to the HACM at law or in equity.

## II. DEFINITIONS

- A. *Disadvantaged Business Enterprise (DBE)*, means a small business concern that is owned, operated and controlled by one or more disadvantaged individuals. The disadvantaged individuals must have day-to-day operational and managerial control and interest in capital, financial risks and earnings commensurate with the percentage of their ownership.
- B. *Disadvantaged Individual*, means a person who is a citizen or lawful permanent resident of the United States and who has experienced and who continues to experience substantial difficulty in achieving business-related success as defined in subsections 11 and 12 of Chapter 360 of the Milwaukee Code of Ordinances.
- C. *Minority Business Enterprise (MBE)*, means a small business concern which is at least fifty-one percent (51%) owned by one or more minorities (as defined herein) and whose management and daily operations are controlled by one or more minority owners.
- D. *Minority*, means a person who is a citizen or a lawfully admitted permanent resident of the United States who is a member of one of the following groups:
1. **Black Americans**, includes persons having origins in any of the Black racial groups of Africa.
  2. **Hispanic Americans**, includes persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.
  3. **Native Americans**, includes persons who are American Indians, Eskimos, Aleuts or Native Hawaiians;
  4. **Asian-Pacific Americans**, includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the U.S. Trust Territories of the Pacific and Northern Marianas;
  5. **Asian-Indian Americans**, includes persons whose origins are from India, Pakistan and Bangladesh.
  6. **Hasidic Jewish Americans**, not defined by HUD - in conjunction with HUD and the community recognized membership in this group will be addressed on a case-by-case basis.
- E. *Women Business Enterprise (WBE)*, means a small business concern which is at least fifty-one percent (51%) owned by one or more women and whose management and daily business operation are controlled by one or more women owners.
- F. *Minority/Women Business Enterprise (M/WBE)*, means a small business concern which is at least fifty-one percent (51%) owned by one or more minority women and whose management and daily business operations are controlled by one or more minority women owners.
- G. *Small Business Concern*, means a small business as defined pursuant to Section 3 of the Small Business Act.
- H. *Joint Venture*, shall be eligible under this program if the DBE, MBE, M/WBE or partners own at least fifty-one percent (51%) of the joint venture and share to an equivalent percent in the management responsibilities, risks and profits of the joint venture, as well as being responsible for a clearly defined portion of the work performed.
- I. *Owned, Operated and Controlled*, means a business which meets one of the following:
1. A sole proprietorship legitimately owned and controlled by a DBE, MBE or WBE. Business.
  2. A partnership or joint venture legitimately owned, operated and controlled by disadvantaged, individuals, minority individuals or women who own at least 51% of the beneficial ownership interests in the enterprise and who hold at least 51% of the voting interests of the enterprise. Section
  3. A corporation legitimately owned, operated and controlled by one or more minority individuals or women, if applicable, who own at least 51% of the outstanding shares and who hold at least 51% of the voting interests of the corporation.

### III. DBE/ MBE/WBE UTILIZATION REQUIREMENTS

#### A. DBE

Eighteen percent (18%) or more **DBE** participation. Note that the **DBE** participation pertains to the base bid excluding specified allowances, but including alternatives, and change orders. **DBE** commitments relative to contract award shall be based upon the approved **Form B**, "Prime Contractor List of DBE Subcontractors."

#### B. MBE, WBE

Twenty percent (20%) or more **MBE** and/or **WBE** participation. Note **MBE** and/or **WBE** participation pertains to the base bid excluding specified allowances, but including alternatives, and change orders. **MBE** and **WBE** commitments relative to contract award shall be based upon the approved **Form B-1**, "Prime Contractor List of MBE and WBE Subcontractors."

#### C. The determination of a DBE, MBE and WBE shall be based on the following criteria:

1. The firms identified as DBE, MBE or WBE by the prime contractor on Form B (Prime Contractors List of DBE Subcontractors) or Form B-1 (Prime Contractors List of MBE and WBE Subcontractors) must be certified by the one of the specified agencies prior to bid opening.
2. The prime contractor shall pay special attention to the area(s) specified as the business specialty by the applicant business in the certification application. *New or expanded business specialties are subject to certification review by the certifying agency.*
3. The prime contractor shall be credited for the entire expenditure to DBE, MBE and WBE, only if all of the identified scope of work has a commercially useful function in the actual work of the contract and is performed directly by the certified DBE, MBE or WBE.
4. The prime contractor shall be credited for the expenditure to DBE, MBE, or WBE manufacturer only if the manufacturer produces goods from raw materials or substantially alters material for resale. Twenty-percent (20%) of the DBE MBE, or WBE participation goal, or less, may be expended for DBE, MBE, or WBE suppliers that do not operate or maintain a store, warehouse, or other establishment in which the materials or supplies are kept in stock and regularly sold to the public in the usual course of business. A regular dealer in such bulk items as steel, cement, gravel, stone and petroleum products need not keep such products in stock if it owns or operates distribution equipment. Brokers and packagers shall not be regarded as manufacturers or regular dealers within the meaning of this section.
5. The prime contractor shall count toward the DBE, MBE, and WBE participation goals only expenditures to DBEs, MBEs, and WBEs that perform a commercially useful function in the actual work of the contract. DBEs, MBEs, or WBEs are **required** to notify the CONTRACT SERVICES MANAGER, by letter, if they will subcontract out work on this project. The CONTRACT SERVICES MANAGER shall be notified, by letter, of labor shortages, if any, affecting the contract work. The HACM CONTRACT OFFICER OR DESIGNEE and CONTRACT SERVICES MANAGER will may the final determination and evaluation of whether or not the firm is performing a commercially useful function on this project.
6. A prime contractor shall be credited one hundred percent (100%) of expenditures to a DBE, MBE, or WBE delivery service, hauler or trucker of materials and supplies required on a job site, but not the cost of the materials and supplies.
7. A prime contractor shall count toward the DBE, MBE, or WBE participation goals, only expenditures to DBEs, MBEs, or WBEs that perform a commercially useful function in the actual work of the contract. The Prime contractor is required to notify the HACM CONTRACT OFFICER OR DESIGNEE if their DBE, MBE, or WBE will further subcontract out work on this contract. Credit will be given based on actual participation by the DBE, MBE, or WBE. **Credit will not be given for work subcontracted by DBEs, MBEs, or WBEs without prior approval from the CONTRACT SERVICES MANAGER.**

III. **DBE, MBE, WBE UTILIZATION REQUIREMENTS (continued)**

- D. The Form A, "Affidavit of Compliance is included with the bid the document must be submitted with the bid, indicating DBE, MBE and WBE percent (%) participation.
- E. *The applicable D/M/WBE list of subcontractors: Form B, Prime Contractor List of DBE Subcontractors; Form B-1, Prime Contractor List of MBE/WBE Subcontractors, can be submitted with the bid. The deadline date for receipt of the list(s) by the HACM is the third (3rd) calendar day following the date of the bid opening unless by special arrangement with the Contract Services Manager. Revision to the initial list is due the second (2<sup>nd</sup>) calendar day following receipt of the initial list.*
- F. Information on Forms B and B-1 shall include, but not be limited to:
1. The DBE, MBE, WBE subcontractors name, address, telephone number and authorized contact person for the DBE, MBE, WBE that will participate on the contract.
  2. A description of the scope of work to be performed by the DBE, MBE, WBE on this project.
  3. The DBE, MBE, WBE contractor dollar values and corresponding percentages that the dollar values represent of the total contract amount.
  4. Listing of DBEs, MBEs, WBEs on Forms B and B-1, respectively, shall constitute a representation that the contractor has communicated directly with the DBEs, MBEs, WBEs listed, agreed to the specified work and dollar values. If awarded the contract, the bidder will enter into a written subcontract with the firm for the portion of the work listed.
- G. Failure to submit an Affidavit of Compliance may render the bid non-responsive, and prompt an award recommendation to the next apparent low bidder.
- H. Only DBEs, MBEs, and WBEs that have been certified as such by the specified certification agency may be listed on Forms B and B-1. The firms shall be counted towards the targeted percentage on this project Directories of certified firms may be obtained from the specified certification agencies.
- I. After execution of the contract, if for any reason, a DBE, MBE, or WBE cannot perform the specified work, the prime contractor shall immediately provide the HACM CONTRACTING OFFICER with a written explanation detailing the reason, including a request for approval from the CONTRACT SERVICES MANAGER to substitute another certified firm or approval of a DBE, MBE, or WBE if a replacement has been identified.
- J. Approval to delete or replace initial DBEs, MBEs, or WBEs must be obtained from the CONTRACT SERVICES MANAGER prior to making the deletion or replacement. Any difference in the cost occasioned by such substitution, deletion or replacement shall be borne by the prime contractor.
- K. If the prime contractor has a problem in meeting the DBE, MBE or WBE goal, or if any other issues relative to DBEs, MBEs or WBEs arise during the completion of this project, the prime contractor shall immediately forward a letter to the HACM CONTRACTING OFFICER with a copy to the CONTRACT SERVICES MANAGER detailing the issue(s).
- L. Certification as DBE, MBE and WBE from programs other than from those agencies specified is neither accepted by the HACM nor do they have any bearing whatsoever on the eligibility criteria established by the specified certification agencies.

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

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BIDDERS INSTRUCTIONS  
FOR COMPLETING EMERGING BUSINESS ENTERPRISES FORMS

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PRIME CONTRACTOR'S AFFIDAVIT OF COMPLIANCE (FORM A)  
PRIME CONTRACTOR LIST OF SUBCONTRACTORS (FORM B AND/OR FORM B-1)

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Step 1:

Please thoroughly review the "Prime Contractor Formal Contract Provisions for Subcontracting with Emerging Business Enterprises" (copy attached to this page).

Step 2:

Note the type of business(es) targeted for participation on this project. See Page 1 of the Provisions, Section I, Paragraph A: "This contract calls for ....." This section specifies the type of business(es) and the preferred participation percentage(s) for this particular contract.

Step 3:

On the Prime Contractor's Affidavit of Compliance (Form A), fill in the subcontract percentage participation on the lines(s) that correspond to the type of targeted business(es) identified on Page 1 of the Provisions.

For example, if the Provisions call for 20% MBE and WBE participation, you may use on the Affidavit of Compliance, the following:

- A. MBEs at 10% and WBEs at 10% to full the percentage; or
- B. MBEs at 20% or 20% WBEs to full the percentage

Note that the Prime Contractor's Affidavit of Compliance is a part of the bid and requires submission with the bid.

Step 4:

Locate the Prime Contractor List of DBE Subcontractors (Form B) and the Prime Contractor List of MBE and WBE Subcontractors (Form B-1). Select the appropriate form for the type of business(es) taken from Page 1 of the Provisions and the Affidavit of Compliance and to complete the list. Keep in mind that Form B is for DBE utilization and Form B-1 is for MBE/WBE utilization.

Attention: The Prime Contractor's List of Subcontractors (Form B, Form B-1) may be submitted with the bid but must be submitted within three (3) calendar days following the bids.

For assistance with Emerging Business Enterprises provisions, certifications, and forms, please contact Louise Hutchins, Contract Services Manager, 1452 North 7<sup>th</sup> Street, Milwaukee, WI 53205, (414) 224-8830 voice, (414) 224-0385 facsimile, [louise.hutchins@hacm.org](mailto:louise.hutchins@hacm.org).

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)

PRIME CONTRACTOR'S AFFIDAVIT OF COMPLIANCE FOR PARTICIPATION IN THE HACM EMERGING BUSINESS ENTERPRISE PROGRAM

Official Notice # \_\_\_\_\_

Date: \_\_\_\_\_

RFP # \_\_\_\_\_

Project #: \_\_\_\_\_

The bidder's commitment for DBE participation on this project is..... \_\_\_\_%.

The bidder's commitment for MBE participation on this project is..... \_\_\_\_%

The bidder's commitment for WBE participation on this project is..... \_\_\_\_%.

The HACM may reject and disqualify any bid that does not include the Emerging Business Enterprise Program. The HACM may reject and disqualify any bid if the contractor fails to consider the "Prime Contractor Provisions for Subcontracting with Emerging Business Enterprises."

The undersigned hereby states that he/she has not discriminated in any manner on the basis of race, sex, or national origin in any manner in the preparation of the attached bid or selection of subcontractors or material suppliers for such bid.

The undersigned acknowledges, understands, and agrees that submission of a bid shall commit the bidder to comply with the HACM's Emerging Business Enterprise Program that includes DBE, MBE, WBEs in subcontract work on this contract, including the submittal of applicable lists -- Forms B, B-1.

The undersigned also states that all the above information is true and correct to the best of his/her knowledge.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Authorized Signature and Title

\_\_\_\_\_  
Printed Name

STATE OF WISCONSIN, COUNTY OF \_\_\_\_\_

Personally came before me this \_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, who acknowledges that he/she executed the foregoing document for the purpose therein contained for and on behalf of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public \_\_\_\_\_ County of \_\_\_\_\_, WI

My Commission Expires: \_\_\_\_\_

Date Form B-1 Submitted \_\_\_\_\_

Initial List/Date: \_\_\_\_\_

Revised List/Date: \_\_\_\_\_

**HOUSING AUTHORITY OF THE CITY OF MILWAUKEE**

**Prime Contractor List of MBE/WBE Subcontractors**

This form must be fully completed. The deadline for submission of this bid document to the Housing Authority, by the Prime Contractor is three (3) calendar days following the bid opening date, or with the bid.

Prime Contractor's Name \_\_\_\_\_ Official Notice \_\_\_\_\_ RFP #: \_\_\_\_\_

Total Bid Amount: \_\_\_\_\_ MBE \$'s: \_\_\_\_\_ % of Total Bid \_\_\_\_\_ WBE \$'s: \_\_\_\_\_ % of Total Bid \_\_\_\_\_

**Please list all proposed subcontractor(s) and material supplier(s) for this project. It is the bidder's obligation to obtain Minority and Women Business Enterprise Participation.**

Firm Names(s) Address / Phone # & Contact Person	M B E	W B E	Work to be Performed / Material Supplied	% of Bid	Amount	Signature of MBE or WBE owner or MBE, WBE representative needed to confirm all information herein.

Prime Contractor: \_\_\_\_\_

Date: \_\_\_\_\_

Tele: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

**HACM Contract Services Manager**

PROJECT SUMMARY: \_\_\_\_\_

Date Form B Submitted \_\_\_\_\_

Initial List/Date \_\_\_\_\_

Revised List/Date \_\_\_\_\_

**HOUSING AUTHORITY OF THE CITY OF MILWAUKEE**

**Prime Contractor List of DBE Subcontractors**

This form must be fully completed. The deadline for submission of this bid document to the Housing Authority, by the Prime Contractor is three (3) calendar days following the bid opening date, or with the bid.

Prime Contractor's Name \_\_\_\_\_ Official Notice \_\_\_\_\_ RFP #: \_\_\_\_\_

Total Bid Amount: \_\_\_\_\_ DBE \$'s: \_\_\_\_\_ % of Total Bid \_\_\_\_\_

**Please list all proposed subcontractor(s) and material supplier(s) for this project. It is the bidder's obligation to obtain Disadvantaged Business Enterprise Participation.**

Firm Names(s) Address / Phone # & Contact Person	D B E		Work to be Performed / Material Supplied	% of Bid	Amount	Signature of DBE owner or DBE representative needed to confirm all information herein.

Prime Contractor: \_\_\_\_\_

Date: \_\_\_\_\_

Tele: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

**HACM Contract Services Manager**



**HOUSING AUTHORITY OF THE CITY OF MILWAUKEE  
MONTHLY & FINAL SUBCONTRACTOR UTILIZATION REPORT**

Monthly Submittal for

Final Submittal

\_\_\_\_\_ (month/year)

\_\_\_\_\_ (month/year)

Contract Number \_\_\_\_\_

Prime Contractor \_\_\_\_\_

Development Site \_\_\_\_\_

Work Description \_\_\_\_\_

Start Date \_\_\_\_\_

Estimated/Actual Completion Date \_\_\_\_\_

Initial Contract \$'s \_\_\_\_\_

Adjusted Contract \$'s \_\_\_\_\_

Subcontractor	Type of Work	Requests for Payment: This Month					\$'s	Requests for Payment: Contract to Date			
		Type of Subcontractor						2014 \$'s	2015 \$'s	2016 \$'s	2017 \$'s
		DBE	MBE	WBE	Sec 3 Bus	Other					

Please specify any contract activity changes and associated costs that have occurred since the initial submittal of this report, and state the reason:

\_\_\_\_\_  
\_\_\_\_\_

If you are using Section 3 residents to do part or all of the work involved with this project, please indicate the dollar amount of wages paid this month

\$ \_\_\_\_\_ or to date \$ \_\_\_\_\_.

Signature \_\_\_\_\_

Date \_\_\_\_\_

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

MONTHLY SUBCONTRACTOR PAYMENT CERTIFICATION FORM FOR  
DBE, MBE and WBE SUBCONTRACTORS

This form must be submitted for each DBE, MBE and WBE utilized on this project and each form must be attached to the document entitled "Prime Contractor's Periodical Estimate for Partial Payment".

IF SUBCONTRACT PAYMENTS TO DBEs, MBEs and WBEs HAVE NOT BEEN MADE TO DATE, THE PRIME CONTRACTOR SHALL CHECK THIS BOX >  NONE AND COMPLETE ITEMS 1-6 AND 8 IN SECTION A.

IF SUBCONTRACTOR PAYMENTS HAVE BEEN MADE TO DATE, THE PRIME CONTRACTOR AND SUBCONTRACTOR SHALL FULLY AND INDIVIDUALLY COMPLETE SECTION A AND SECTION B.

**SECTION A** -- FOR COMPLETION BY THE PRIME CONTRACTOR

1. Prime Contractor \_\_\_\_\_
2. Official Notice No. \_\_\_\_\_ Contract No. \_\_\_\_\_
3. Project Description \_\_\_\_\_
4. Check one Subcontractor designation:  DBE  MBE  WBE
5. Name of Subcontractor \_\_\_\_\_
6. Subcontract Work Description \_\_\_\_\_

*Prime Contractor Certification:*

I, \_\_\_\_\_,  
(name and title; printed and signature)

\$ \_\_\_\_\_ (this month)

hereby certify that as of this date \_\_\_\_\_, \$ \_\_\_\_\_ (to date)

has been paid to the subcontractor named in Section A-5 for work described in Section A-6.

**SECTION B** -- FOR COMPLETION BY SUBCONTRACTOR

1. Subcontractor \_\_\_\_\_
2. Official Notice No. \_\_\_\_\_ Contract No. \_\_\_\_\_
3. Project Description: \_\_\_\_\_
4. Check your Certification Designation:  DBE  MBE  WBE
5. Subcontract Work Description \_\_\_\_\_

*Subcontractor Certification:*

I, \_\_\_\_\_,  
(name and title; printed and signature)

\$ \_\_\_\_\_ (this month)

hereby certify that as of this date \_\_\_\_\_, \$ \_\_\_\_\_ (to date)

has been paid to the subcontractor named in Section A-5 for work described in Section A-6.

**DESIGNATION OF PROPRIETARY AND CONFIDENTIAL INFORMATION**

Material submitted in response to Official Notice 57730, Request for Proposals for Documents Imaging and Management System, includes proprietary and confidential information that qualifies as a trade secret, as provided in Section 19.36(5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, the Offeror asks that certain pages, as indicated below, of this proposal be treated as confidential material and not released without the Offeror's written approval. Therefore, I am providing the following information with the express understanding that it is being submitted to the Housing Authority under a pledge of confidentiality. I would not have submitted this information had the Housing Authority not pledged to keep it confidential, and I request that the following pages not be released:

Section	Page	Topic and Reason for Confidentiality

OFFERORS ARE CAUTIONED THAT THE ENTIRE PROPOSAL MAY NOT FALL WITHIN THE CONFINES OF THE PLEDGE OF CONFIDENTIALITY. SUCH BLANKET CLAIMS WILL NOT BE HONORED.

FAILURE TO INCLUDE THIS DESIGNATION IN THE PROPOSAL RESPONSE MAY MEAN THAT ALL INFORMATION PROVIDED AS PART OF THE PROPOSAL RESPONSE WILL BE OPEN TO EXAMINATION AND COPYING.

IN THE EVENT THE DESIGNATION OF CONFIDENTIALITY OF THIS INFORMATION IS CHALLENGED, THE UNDERSIGNED HEREBY AGREES TO PROVIDE LEGAL COUNSEL OR OTHER NECESSARY ASSISTANCE TO DEFEND THE DESIGNATION OF CONFIDENTIALITY.

\_\_\_\_\_  
Signature (Authorized Representative) Telephone Number

\_\_\_\_\_  
Name (print) Company Name

\_\_\_\_\_  
Title Date

The Housing Authority, as custodian of these public records, has the obligation, pursuant to the Public Records Law, to determine whether the above information can be kept confidential. The Housing Authority will notify any Offeror if a determination is made that the requested information cannot be kept confidential. Generally, proposals are available for public review after the Housing Authority has awarded a contract.

Proprietary information submitted in response to this Request for Proposals will be handled in accordance with applicable Housing Authority procurement regulations. An Offeror responding to this proposal should not include any proprietary information as part of its proposal unless the Offeror: 1) designates the specific information that it maintains is proprietary/confidential and the reason(s) for such designation in a separate document (such as this form) to the Housing Authority; and 2) identifies the specific information where it occurs within the Offeror's proposal. The Housing Authority's preference is for the Offeror to segregate all information designated as confidential into one section of the proposal and/or a separate document for easier removal to maintain its confidential status. The Offeror should clearly indicate which portion of the information is confidential and where this information is located within the proposal, i.e. under separate cover, in confidential Section No. \_\_\_\_\_, etc. Data contained in the proposal and all documentation become the property of the Housing Authority.



## SECTION 3 PLAN

# HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

Approved by HACM Board of Commissioners: January 13, 2016

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# SECTION 3 PLAN

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## **I. STATEMENT ON SECTION 3 PLAN**

This Plan is developed by the Housing Authority of the City of Milwaukee for the exclusive use of the agency, hereafter referred to as HACM, its contractors, subcontractors, bidders, developers, subgrantees, related affiliates or instrumentalities, partnering local government entities, and any other subrecipients of covered funding in partnership with HACM. The funding type and program/grant names may change over the years; however, the intent of this Plan is to encompass all applicable funding from the U.S. Department of Housing and Urban Development (HUD). All hiring and contracting must meet any conflict of interest requirements set forth in federal, state or local laws, regulations or policies and comply with internal HACM hiring policies.

## **II. BACKGROUND ON THE SECTION 3 REGULATION**

The purpose of Section 3 of the Housing and Urban Development Act of 1968, as amended by Section 915 of the Housing and Community Development Act of 1992, is to “ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed toward low and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.”

Consistent with 24 CFR Part 135, as a recipient of HUD Public Housing funding, the Housing Authority of the City of Milwaukee (HACM) requires compliance with Section 3 obligations on all contracts that make use of that assistance.

These policies are implemented regardless of the contract amount, whether it is designated as housing construction, housing rehabilitation, or other public construction project, or whether it is any other non-construction expenditure resulting from the use of covered operating funding, modernization funding, or development funding from HUD .

HACM works to ensure the provision of employment, training, contracting, and other economic opportunities to its residents and other low-income persons. In doing so, HACM utilizes Section 3 as a means of promoting stability and self-sufficiency to Section 3 Residents. Implementation procedures may be amended periodically by HACM to ensure that the Plan requirements are being met and/or to enhance efficiencies in obtaining compliance.

## **III. APPLICABILITY**

Section 3 requirements apply to all projects and activities funded in whole or in part with covered funds. If any HUD funding is used for the project/activity, then the entire project budget is subject to Section 3 regulations.

Section 3 requirements do not apply to projects and activities of HACM that do not receive any HUD funding, such as non-subsidized market rate developments owned by HACM.

Section 3 requirements do not apply to any agreement or contract for the purchase of supplies and materials only.

## **IV. DEFINITIONS**

Please refer to the 24 CFR 135.5 for a full list of applicable definitions found in the regulation.

**RECIPIENT:** Any entity which receives Section 3 covered funding, directly from HUD or from another recipient and includes, but is not limited to, any State, unit of local government, Public Housing Authority, Indian Housing Authority, Indian Tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation,

resident council, or cooperative association. Recipient also includes any successor, assignee, or transferee of any such recipient, but does not include any ultimate beneficiary under the HUD program to which Section 3 applies and does not include contractors.

**CONTRACTOR:** Any entity which contracts to perform work generated by the expenditure of Section 3 covered assistance, or for work in connection with a Section 3 covered project.

**SUBCONTRACTOR:** Any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of Section 3 covered assistance, or arising in connection with a Section 3 covered project.

**NEW HIRES:** Full-time employees for permanent, temporary or seasonal employment opportunities.

**EMPLOYMENT OPPORTUNITIES GENERATED BY SECTION 3 COVERED ASSISTANCE:** All employment opportunities generated by the expenditure of Section 3 covered funding (i.e. operating funding, Development funding, and modernization funding) and with respect to Section 3 covered housing and community Development funding, all employment opportunities arising in connection with Section 3 covered projects, including management and administrative jobs (including architectural, engineering, or related professional services and jobs directly related to administrative support of these activities) connected with the Section 3 covered project.

**SECTION 3 RESIDENT:** A Section 3 resident is:

- A. A public housing resident or Housing Choice Voucher holder; or
- B. An individual who resides in the metropolitan area in which the Section 3 covered assistance is expended, and is a low-income person or a very low-income person.

**METROPOLITAN AREA:** The metropolitan area means a metropolitan statistical area (MSA) as established by the U.S. Office of Management and Budget. For HACM, the MSA area determined by HUD is the "Milwaukee-Waukesha-West Allis MSA" which includes residents of the four-county area of Milwaukee County, Waukesha County, Ozaukee County and Washington County in Wisconsin.

**LOW-INCOME PERSON:** Families (including single persons) whose incomes do not exceed 80% of the median income for the area as determined by HUD.

Please refer to [www.huduser.org/portal/datasets/il.html](http://www.huduser.org/portal/datasets/il.html) for current, local Income Limit information.

- ❖ Select current year.
- ❖ Select "Access Individual Income Limit area"
- ❖ Select "click here for FY XXXX IL Documentation" (where XXXX is the current fiscal year)
- ❖ Select State & County

**VERY LOW-INCOME PERSON:** Families (including single persons) whose incomes do not exceed 50% of the median family income for the area as determined by HUD.



**SECTION 3 BUSINESS CONCERN:** A Section 3 business concern is one:

- A. That is fifty-one percent (51%) or more owned by Section 3 residents; or
- B. Whose permanent, full-time employees includes persons, at least 30 percent of whom are current Section 3 residents, or within three years of the date of first employment with the Section 3 business concern were Section 3 residents; or
- C. That provides evidence of a commitment to subcontract a minimum of 25 percent of the total contract award amount (including any modifications) to Section 3 business concerns that meet the requirements described in A or B. Example: If the Contract Amount is = \$1,000,000, contractor must subcontract at least 25% or \$250,000 to Section 3 business concern(s) as defined in A or B in this part.

**RESIDENT-OWNED BUSINESS (ROB):** As described in 24 CFR Part 963, a resident-owned business is a business concern owned and controlled by public housing residents. "Owned and controlled" means a business (a) at least 51% owned and operated by a public housing resident; and (b) whose management and daily business operations are controlled by one or more such individuals. If for a specific procurement, HACM decides to elect the alternative procurement process found in 24 CFR Part 963 limiting the solicitation only to ROBs, the ROB must also meet the additional eligibility and other requirements described in the regulations.

**SECTION 3 CLAUSE:** The contract provisions set forth in 24 CFR 135.38 which must be included in all Section 3 covered contracts and subcontracts.

**SECTION 3 COVERED ACTIVITY:** Any activity that is funded by Section 3 covered funding.

**SECTION 3 COVERED ASSISTANCE:** With respect to public housing authorities, Section 3 covered assistance means HUD assistance to which the obligation to provide training, employment, contracting, and other economic opportunities under Section 3 apply, including: (1) Public housing development assistance; (2) Public housing operating assistance; (3) Public housing modernization assistance; and (4) any other HUD funds, regardless of HUD program, utilized for the operation, modernization, or rehabilitation of public housing properties or developments as defined under statutes.

**SECTION 3 COVERED CONTRACT:** A contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance or for work arising in connection with a Section 3 covered project. "Section 3 covered contracts" do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a "Section 3 covered contract."

**SECTION 3 COVERED PROJECT:** The construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development funding.

**SECTION 3 JOINT VENTURE:** An association of business concerns, one of which qualifies as a Section 3 business concern, formed by written joint venture agreement to engage in and carry out a specific business venture for which purpose the business concerns combine their efforts, resources, and skills for joint profit, but not necessarily on a continuing or permanent basis for conducting business generally, and for which the Section 3 business Concern:

- Is responsible for a clearly defined portion of the work to be performed and holds management responsibilities in the joint venture; and
- Performs at least 25% of the work and is contractually entitled to compensation proportional to its work.

## **V. SECTION 3 GOALS AND PREFERENCES**

It is HACM's policy to achieve Section 3 goals by providing opportunities in one or more of the following areas:

### **A. Training and Employment Opportunities for Section 3 residents:**

When the Section 3 regulation is triggered by the need for new hires, HACM and its contractors and subcontractors will make every effort within their disposal and to the greatest extent feasible to attempt to hire Section 3 residents amounting to at least 30% of the aggregate number of full-time new hires .

When hiring opportunities are offered and all minimum requirements are met, HACM, contractors and subcontractors shall direct their efforts to hire Section 3 residents in the order of priority preference provided below:

1. Residents at the housing development or developments where the work is being performed (Category 1 residents).
2. Residents of other HACM public housing developments and holders of housing choice vouchers (Section 8 rent assistance) managed by HACM (Category 2 residents).
3. Participants in Youthbuild programs being carried out in the metropolitan area in which the Section 3 covered assistance is expended (Category 3 residents).
4. Other Section 3 residents (Category 4 residents).

For the purposes of this Section 3 Plan, the term "preference" is to be given the legal definition of "prior right or precedence" in order to ensure that, at a minimum, 30% of all new hires are Section 3 Residents consistent with the above order of priority preference.

- o For an example, if both a Section 3 Resident with a Category 1 preference and a Section 3 resident with a Category 4 preference meet at least the minimum requirements for a position, the Section 3 Resident with the Category 1 preference will be awarded the position.
- o In the case that an objective standard is used to decide the qualifications of an applicant by means of some type of testing, a passing score should be decided upon prior to administering said test to any potential hire. A Section 3 Resident with a Category 1 preference with a minimum passing score should be awarded the position above a Section 3 Resident with a Category 4 preference with a higher score.

HACM shall submit this backup documentation to HUD as part of its regular semi-annual reports.

**B. Contracting Opportunities for Section 3 business concerns:**

When the Section 3 regulation is triggered by the need for subcontracting a portion of the work to another business, HACM and its contractors and subcontractors will make every effort within their disposal and to the greatest extent feasible to attempt to subcontract:

- 1. Building Trades:** At least 10% of the total dollar amount of all Section 3 covered contracts or purchase orders for building trades work maintenance, repair, modernization or development of public housing to Section 3 business concerns.
- 2. Other contracts (non-building trades):** For other Section 3 covered contracts or purchase orders that are not building trades work covered above, the goal is to subcontract at least 3% of the total dollar amount to Section 3 business concerns. This includes professional service contracts such as legal, architects, engineers, consultants, or any other contract or purchase order for services that are not building trades work.

When contracting opportunities are offered and all requirements are met and remain equal, HACM, contractors and subcontractors shall direct their efforts to contract/subcontract with Section 3 business concerns in the order of priority preference provided below:

- 1. Business concerns that are 51 percent or more owned by residents of the housing development or developments for which the section 3 covered assistance is expended, or whose full-time, permanent workforce includes 30 percent of these persons as employees (category 1 businesses).**
- 2. Business concerns that are 51 percent or more owned by residents of other public housing developments or developments managed by HACM or by holders of housing choice vouchers managed by HACM, or whose full-time, permanent workforce includes 30 percent of these persons as employees (category 2 businesses).**
- 3. Youthbuild programs being carried out in the metropolitan area (or nonmetropolitan county) in which the section 3 covered assistance is expended (category 3 businesses).**
- 4. Business concerns that are 51 percent or more owned by other section 3 residents, or whose permanent, full-time workforce includes no less than 30 percent section 3 residents (category 4 businesses), or that subcontract in excess of 25 percent of the total amount of subcontracts to business concerns identified in paragraphs 1 and 2 above.**

## **VI. SELF-CERTIFICATION OF SECTION 3 RESIDENTS AND SECTION 3 BUSINESS CONCERNS**

**In order to receive preference as a Section 3 business concern**, the business must self-certify that it meets the eligibility requirements. The eligibility requirements and the priority preference for Section 3 business concern are described on page 7 of this Plan. HACM has developed self-certification forms for Section 3 businesses (Section 3 Form #2 on page 19).

**Section 3 business concerns** should also complete the online Section 3 self-certification that is included on the City of Milwaukee's Office of Small Business Development's online certification system. The website address for this system is <https://milwaukee.diversitycompliance.com> . Click on "Apply for Certification." You will need to create an account and have information on your business to self-certify. HACM, the City of Milwaukee, and prime contractors will use this list to help identify Section 3 businesses to use as possible contractors or subcontractors on various projects.

A Section 3 business concern seeking preference in contracting must submit evidence to demonstrate that it is a responsible firm and has the ability to perform successfully under the terms and conditions of the proposed contract. If asked, it also must provide evidence of its Section 3 status.

**In order to receive preference as a Section 3 resident**, the resident must self-certify that he/she meets the eligibility requirements. The eligibility requirements and priority preference of a Section 3 resident are described on page 6 of this Plan. HACM has developed self-certification forms for Section 3 residents (Section 3 Form #4 on pages 26-27).

**Section 3 residents** should also complete the online Section 3 self-certification that is included on the HACM website ([www.hacm.org](http://www.hacm.org)). This online list of Section 3 residents will be completed and operational in August 2015. This online Section 3 Resident list will be searchable by HACM and contractors to identify residents who are interested in employment and/or training opportunities.

A Section 3 resident seeking preference in employment must fulfill the requirements/qualifications of the sought position. If asked, he/she also must provide evidence of their Section 3 status (e.g., receipt of public assistance, address of residency, etc.).

HACM will also have a separate web page devoted to Section 3 opportunities where all forms, information including this plan, and the registries will be accessible. That information will be prominently listed on the Home page of the new HACM website that is expected in 2015.

It is important to note that all persons and/or business concerns are self-certifying their eligibility under Section 3 to HACM and to HUD, and that severe civil and/or criminal penalties apply for false certifications.

## VII. CONTRACTOR RESPONSIBILITIES IN MEETING SECTION 3 GOALS

All contractors are held to the same Section 3 compliance requirements of HACM as listed in Section V above (Section 3 Goals and Preferences). The HACM Section 3 Plan requires that when the Section 3 regulation is triggered by a need for new hires or by a need to subcontract a portion of the work, every effort within the contractor's disposal and to the greatest extent feasible must be made to direct all available employment, training and contracting opportunities to Section 3 residents and business concerns based on the priorities described in Section V.

Contractors must also proactively facilitate compliance with Section 3 in any Section 3 covered contract. Contractors will have fulfilled their responsibility when they can provide evidence that the following have occurred in the case of every hiring, contracting, solicitation and recruitment effort:

- A) Extra or greater efforts in notifying Section 3 residents of employment or contracting opportunities. This can occur through posting job openings: in HACM offices and housing developments; in the local media; on the HACM website; with the local workforce investment board and with local comprehensive Job Centers; and in mailings, flyers or other outreach to Section 3 residents.
- B) Conveying that the hiring/contract work is a Section 3 Covered opportunity in any advertisement for bids and proposals by placing the following language in each advertisement/public notice and website, **"This job/project is covered under the requirements of Section 3 of the HUD Act of 1968."**
- C) Notifying subcontractors in each pre-bid meeting of the Section 3 requirements;
- D) Incorporating the full HUD-mandated Section 3 clause directly into all contracts and subcontracts;
- E) Including the HACM Section 3 Plan in every Section 3 covered procurement and subcontract;
- F) Providing "Section 3 Resident Self-Certification Forms" for employment at the contractor/subcontractor business offices and allowing applications to be submitted at appropriate local locations;
- G) Encouraging the training of Section 3 residents by the subcontractors;
- H) Facilitating an opportunity or job fair for the contractor and subcontractor to meet interested Section 3 residents for possible employment. A list can be developed as a resource for contractors when seeking to hire Section 3 workers in the future;
- I) Facilitating an opportunity fair annually for small contractors to meet large prime contractors interested in bidding work awarded by HACM;
- J) Documenting actions taken to comply with Section 3 requirements including all results and impediments using the HACM prescribed reporting mechanism or form;
- K) Reporting on its efforts regarding Section 3 implementation using the HACM prescribed reporting mechanism or form;

- L) Refusing to award contracts to businesses or persons who have previously violated Section 3 requirements;
- M) Posting all job sites funded by HACM with a location or phone number of how to apply for any opportunities for employment, training or contracting. The sign should be no smaller than 24" x 24" in Black ink and should specifically read: **"This project is covered under Section 3 of the HUD Act of 1968 which requires that any new employment, training, and contracting opportunities be directed to low- and very low income persons in this community. Please contact (list the contact person name and number) for information on any employment and contracting opportunities."**
- N) All Section 3 covered procurements must be communicated to current and potential Section 3 contractors and residents as part of the bid process before final bids or applications are submitted to HACM and its contractors.
- O) Any contractor or subcontractor self-certifying itself as a Section 3 business concern must maintain that status throughout the life of the contract. Any change in status must be reported to the Section 3 Coordinator immediately.
- P) Where appropriate, breaking out contract work items into smaller scopes of work to facilitate participation by section 3 business concerns.

Q) Exercising all efforts indicated below regarding notice, encouragement, and facilitation as indicated below.

<b>REQUIREMENTS</b> <i>Applicable to all awards and contracts REGARDLESS OF AMOUNT</i>	<b>ADDITIONAL INFORMATION</b>	<b>WHEN EXECUTED</b>
<p><b>NOTICE</b> – Extra or greater efforts must be undertaken to make the low and very low-income persons in the project area aware of the existence of the opportunity before it is filled with non-Section 3 persons or businesses. This means the notice <b>MUST</b> be given in multiple methods (See Part VII of this Plan for a list of methods) and documentation saved for audit purposes.</p> <p>As an example, contractors, subcontractors and developers cannot simply call their normal service providers and contractors for bids without including a host of notices to other low-income people, groups and organizations locally and beyond before committing to any contracts or potential contracts.</p> <p>Remember to keep every document and record demonstrating your efforts for audit and verification. If there are no records verifying the efforts made, it will be assumed there were none. The contractor, subcontractor and developer will also have access to the HACM Section 3 Business Concern and Resident Listings as indicated in Part VI above.</p>	<p>This applies to all contracts using Section 3 covered assistance from HUD and begins prior to the securing of the first contract service related to the proposed project, including professional services such as legal, architecture, engineering, consultants, etc.</p>	<p>Give notice to residents and businesses before or while soliciting bids/proposals/ employees</p> <p>Notice must be provided prior to the execution of any contracts via: publication, flyers, posters, social media, email, letters, web-postings and any other such method elected</p>
<p><b>ENCOURAGEMENT</b> - Contractors, subcontractors and developers must be able to document they did something to encourage low-income people, the businesses they own and the businesses that substantially employ them to apply for their opportunities before filling them with non-Section 3 people or businesses. This includes activities such as hosting opportunity fairs for contracting and employment, informational sessions on how to achieve Preference in consideration or other verifiable methods designed to enhance participation by these groups.</p> <p>HACM requires that contractors, subcontractors and developers review and consider the listings of self-certified Section 3 residents and business concerns both initially and if new opportunities open during the contract life. However, contractors, subcontractors and developers should also do other encouragement and outreach efforts to the extent that new Section 3 persons and businesses can be attracted and secured if qualified. There is no requirement to hire or contract any unqualified person or business.</p>	<p>These shall be in the form of: Opportunity Fairs, Meetings, Presentations, Inducements such as Transportation or Child Care Assistance, etc.</p> <p>Most importantly you must use the attached forms when bidding and you must often mention Preference during meetings</p>	<p>This is executed prior to every major contract and annually for all small purchases but definitely before awarding any contracts or employment</p> <p>It's important this be done early so the contracting phase can begin immediately after confirmation of award</p>
<p><b>FACILITATION</b> - Contractors, subcontractors and developers must be able to provide documentation in the form of actual signed agreements or commitments to contract and employment verification like payrolls or offers of employment they facilitated in compliance with the actual award of contracts and/or employment based on what opportunity was available.</p>	<p>Because there are various phases of contracting in a project, this step must be central to the award of contracts</p>	<p>This must be completed at every step in the contracting and employment phase from pre-award through the life of the project.</p>



As HACM does not execute subcontracts, HACM requires its general contractors to execute aggressive Section 3 subcontracting initiatives.

If the overall Section 3 goals above cannot be met by the contractor, other training and economic opportunities may be provided to Section 3 residents and business concerns as described in Section VIII of this Plan. However, these opportunities may be exercised only with prior written agreement of HACM and satisfactory documentation explaining why employment or contracting goals could not be met.

**Contractors and subcontractors are expected to do everything possible and feasible to ensure all opportunities are directed to HACM residents first, as described in Section V of this Plan.** This requirement includes all labor-regulated agreements with union contractors. Examples of such outreach include:

1. Notifying Section 3 residents of employment or contracting opportunities through a number of outreach efforts, including: postings in HACM offices and housing developments; in the local media; on the HACM website, with the local workforce investment board and with local comprehensive Job Centers; and in mailings, flyers or other outreach to Section 3 residents.
2. Review, consider, and actively reach out to the online Section 3 Resident List prior to making new hires. If those hired are not Section 3 Residents, or are in a lower preference category, the Contractor must explain in writing the qualifications that those on Section 3 Resident List and/or other higher preference Section 3 Residents lacked, or other reason for non-hire (e.g., job offer declined).
3. Holding informational meetings and/or job fairs for Section 3 residents and/or Section 3 contractors and subcontractors.
4. Ensuring that both the prime contractor and any subcontractors are appropriately implementing the priority preference for any new hires, as described in Section V (A) of this policy. For the purposes of this Section 3 Plan, the term “preference” is to be given the legal definition of “prior right or precedence” in order to ensure that, at a minimum, 30% of all new hires are Section 3 Residents consistent with the above order of priority preference.
  - For an example, if both a Section 3 Resident with a Category 1 preference and a Section 3 resident with a Category 4 preference meet at least the minimum requirements for a position, the Section 3 Resident with the Category 1 preference will be awarded the position.
  - In the case that an objective standard is used to decide the qualifications of an applicant by means of some type of testing, a passing score should be decided upon prior to administering said test to any potential hire. A Section 3 Resident with a Category 1 preference with a minimum passing score should be awarded the position above a Section 3 Resident with a Category 4 preference with a higher score.

Additionally, HACM expects that contractors shall, to the greatest extent feasible, ensure that Section 3 new hires work approximately the same number of hours as other new hires in similar positions on the project.

Contractors must submit with any bid or proposal the prescribed forms describing the implementation of Section 3, including:

- Section 3 Form 1: Section 3 Clause
- Section 3 Form 2: Section 3 Business Concern Self-Certification form (for prime contractor and subcontractors)
- Section 3 Form 3: Contractor Section 3 Assurance of Compliance and Action Plan

Contractors and subcontractors must keep on file all completed Section 3 Form 4: “Section 3 Resident Self-Certification and Skills Data” forms for any and all applicants for positions you are hiring for related to the HACM project and for all Section 3 new hires.

All contractors and subcontractors **MUST** review and consider the Section 3 Resident List provided by HACM prior to making new hires by promoting the job opportunities to qualified residents on the list. If those hired are not Section 3 residents, or are in a lower preference category, the Contractor must explain in writing to HACM the qualifications that those on the Section 3 Resident List lacked, or other reason for non-hire (e.g. job offer declined). This must be done **prior** to making the new hire.

For each new hire, a contractor will immediately complete a Section 3 Form 6—Contractor New Hire Report (page 30) and must attach required documentation for the review of the HACM Section 3 Coordinator. Contractors must report via the Section 3 Form 6—Contractor New Hire Report the following information to HACM regarding any new hires by contract or subcontract: (1) name of new hire; (2) position or title; (3) date of hire; (4) whether the new hire is a Section 3 resident; (5) which Section 3 priority preference category the Section 3 resident belongs to; (6) if the new hire is not a Section 3 resident or is a lower category Section 3 resident, the number of all Section 3 resident applicants passed over in favor of the non-Section 3 hire or the lower-category Section 3 hire.

In the absence of evidence to the contrary, a contractor that meets the minimum numerical goals set forth in Section V of this Plan (Section 3 Goals and Preferences) will be considered to have complied with the Section 3 Preference requirements.

Contractors will report actual Section 3 performance on the contract by submitting Form 5, Contractor Section 3 Reporting Form (pages 28-29).

In evaluating compliance under this part, a contractor that has not met the numerical goals set forth in Section V of this Plan has the burden of demonstrating why it was not feasible to meet the numerical goals set forth in this section. Such justification may include impediments encountered despite actions taken. Contractors also can indicate other economic opportunities, such as those listed below, which were provided in its efforts to comply with Section 3 and the requirements of this part.

If a contractor has not adequately documented or justified their efforts to comply and why it was not feasible to meet numerical goals, HACM’s Section 3 Coordinator will inform the contractor of the need to immediately cure the deficiency. Additionally, contractors should realize that non-compliance with Section 3 requirements by a contractor may be taken into account by HACM in any future bidding or procurements.

### **VIII. OTHER ECONOMIC OPPORTUNITES TO ACHIEVE CONTRACTOR COMPLIANCE**

If a HACM contractor can demonstrate that while it does have need or plans to subcontract or hire and has attempted, to the greatest extent feasible, to meet Section 3 hiring and contracting goals but still could not achieve the numerical goals, then the contractor may provide other economic opportunities to Section 3 residents and business concerns, consistent with 24 C.F.R. § 135.40, as follows:

- All contractors that have a need to hire as a result of the award of a Section 3 covered contract will be required to work with the HACM Section 3 Coordinator to identify an aggressive outreach effort to HACM residents and other Section 3 residents on the HACM Section 3 Resident listing.
- If a qualified Section 3 resident can be identified meeting all of the pre-employment requirements for the position, the contractor must hire them in the position that was needed/triggered by the contract. The contractor should use the priority preference categories as described in Section V of this Plan.
- In the event the contractor, by working with HACM's Section 3 Coordinator, cannot identify a qualified Section 3 resident from the listing, the contractor must exercise outreach outside of the registry into the service area by running employment ads, contacting other employment agencies that work with Section 3 residents like nonprofit organizations, job centers, shelters, transitional housing operators, and others.
- Similarly, all contractors that have a need to subcontract as a result of the award of a Section 3 covered contract will be required to work with the HACM Section 3 Coordinator to identify and outreach to qualified Section 3 business concerns. If a qualified Section 3 business concern can be identified, the contractor should enter into the subcontract. The contractor should use the priority preference categories as described in Section V of this Plan.
- Only after the contractors have fully exercised acceptable and verifiable efforts toward identifying and hiring qualified Section 3 persons or subcontracting to qualified Section 3 business concerns will they be allowed to provide other economic opportunities other than hiring or contracting.

If a contractor can demonstrate the above facts, then the contractor may offer other economic opportunities as follows:

- A. The contractor will provide to HACM a plan as to how it will offer other economic opportunities to Section 3 residents and business concerns. HACM will report in its semi-annual reports to HUD, the nature, extent and outcome of the other economic opportunities thus provided.
- B. HACM may not require a contractor to make a Section 3 Fund contribution in lieu of indirect participation, mentorship program participation, or other results-oriented economic opportunities.
- C. A contractor may provide one or several of the following "other economic opportunities" under this subsection:

**i. Training and Employment:** "Training and Employment" related opportunities will be designed to train and/or employ Section 3 residents. A detailed plan for training should be described in a written narrative and provided for HACM review. Contractors seeking to provide training may identify a qualified training firm that has the proper experience working with low-income and public housing residents in particular. The contractor may procure the training firm/individual at its expense to provide direct recruitment and solicitation to HACM residents for employment-related training. Verification of the agreement between the contractor and training firm/individual must be provided to HACM's Section 3 Coordinator.

**ii. Indirect Participation:** "Indirect Participation" allows a contractor to count a percentage of payments, made to Section 3 business concerns unrelated to a HACM contract for the purposes of calculating whether the contractor met Section 3 goals for that HACM contract. As an example of Indirect Participation, assume a company cannot meet contracting goals to Section 3 business concerns on the specific contract with HACM and has demonstrated such to HACM. However, they can contract with Section 3 business concerns for other work that is not chargeable to the HACM contract (e.g., cleaning of the main office of the prime contractor, work on a separate non-HACM contract, etc.). The Contractor may propose to hire Section 3 business concerns for non-HACM work that will count towards the achievement of Section 3 goals as "Indirect Participation."

**iii. Mentorship Program Participation:** "Mentorship Program" is a program designed to provide mentorship and/or training that benefit Section 3 residents or business concerns. The specific operation of "Mentorship Program Participation" is:

- a. Where HACM acknowledges the existence of Resident-Owned Businesses (ROBs) within its service area, identifies a need for or receives a request directly from that ROB for certain technical assistance;
- b. HACM, through its Section 3 Coordinator, will meet with the ROB owner(s) and determine exactly what their needs are relative to how it can grow and/or better manage its business;
- c. The Section 3 Coordinator will then meet with contractors that have expressed a desire to provide such technical assistance or training to such businesses; and
- d. HACM's Section 3 Coordinator will then request a meeting of all parties to discuss the expectations and service delivery design between both the contractor and ROB. Once the parties have agreed to a schedule for assistance/training to the ROB, the Section 3 Coordinator will formalize a schedule and agree to quantifiable goals and anticipated outcomes for the mentorship program.

**iv. Other Results-Oriented Economic Opportunities:** "Other Results-Oriented Economic Opportunities" are results-oriented and quantifiable programs designed to provide economic opportunities to Section 3 residents, including, but not limited to: Section 3 joint ventures or other economic opportunities. A contractor must submit to HACM a plan detailing these "Other Results-Oriented Economic Opportunities" and receive approval prior to implementation.

**v. Section 3 Fund:** Pursuant to the requirements of the Voluntary Compliance Agreement executed with HUD, HACM has created a fund specifically as a last resort when all other methods of meeting the numerical goals have been attempted to the greatest extent feasible by a contractor or sub-contractor, but the goals are still not met. HACM intends to leverage the use of this fund conservatively as it expects each contract it issues to comply fully with the Section 3 regulations and goals.

A contractor that has a need to hire or subcontract may not use HACM's Section 3 Fund to substitute for its obligation to comply with Section 3. However, a contractor that has demonstrated that it has attempted, to the greatest extent feasible, to meet Section 3 hiring and contracting goals but cannot meet the numerical goals may satisfy its Section 3 obligations by engaging in alternative means outlined above.

A contractor that can demonstrate that it was not feasible to meet the Section 3 contracting goal may provide other economic opportunities as described above or may contribute the difference between 10% of the covered contract amount (3% for non-construction related contracts) and the amount provided to Section 3 business concerns to HACM's Section 3 Fund. The amount contributed shall not exceed one hundred thousand dollars (\$100,000) for any one contract.

A contractor that can demonstrate that it was not feasible to meet the Section 3 hiring goal may contribute an amount of 3% of the total dollar amount of the contract for building trades work or 1% for other types of contracts to the Section 3 Fund. The amount contributed shall not exceed twenty thousand dollars (\$20,000) for any one contract.

## **IX. INTERNAL HIRING FOR HACM STAFF POSITIONS**

The hiring policy of the Housing Authority of the City of Milwaukee (HACM) is to hire the best-qualified applicants and extend equal employment opportunity practices to all qualified individuals. HACM will not discriminate on the basis of race, color, religion, sex, national origin, veteran status, disability, age, sexual orientation, or any other characteristic protected from discrimination by applicable federal, state or local law.

HACM complies with Section 3 of the Housing and Urban Development Act of 1968. To the greatest extent feasible, at least thirty-percent (30%) of the aggregate annual number of its internal new hires will be public housing residents, holders of Housing Choice Vouchers, and other Section 3 eligible persons. Priority preference will be given as described in Section V.A. of this Plan. See the Operating Procedures and the HACM Human Resource Policy for all of the HACM hiring practices and more detail.

## **X. COMPLAINTS**

This Plan is governed by the federal regulations set forth in 24 CFR Part 135 and any future changes thereto. Any Section 3 resident or business concern that feels that the Section 3 regulations were not complied with may file a complaint directly to the Assistant Secretary for Fair Housing and Equal Opportunity at the following internet address:

<http://portal.hud.gov/hudportal/documents/huddoc?id=958.pdf>

## **XI. COMPLIANCE MONITORING**

HACM will employ a direct employee or consultant skilled and equipped to manage the full compliance process including: staff and business regulatory and implementation training; payroll and pay application review and monitoring for triggering hires; and the reporting of all Section 3 activity on an on-going basis.

HACM will employ the use of a web-based Section 3 compliance software during the period mandated by the VCA with HUD to assist in monitoring all contract awards, as well as any and all hiring that triggers the regulation on those contracts, and to send notices of non-compliance immediately upon confirmation of the same. The software will also provide reports of all Section 3 activities, including contracting, employment & training and will assist with reporting to HUD via the annual reporting and the semi-annual reporting as required under the VCA.

HACM will require contractors and/or subcontractors to use the online reporting systems and will provide training on these reporting/monitoring systems.

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**Section 3 Form #1: SECTION 3 CLAUSE ACKNOWLEDGEMENT**

**Economic Opportunities for Low- and Very Low-Income Persons (Section 3, HUD Act of 1968; 24 CFR 135)**

(a) The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

(b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

(c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of Section 3 apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

(d) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

(e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.

(f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

I have read and understand these requirements of this Section 3 funded project:

Business Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

Print Name: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



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**Section 3 Form #2: SECTION 3 BUSINESS CONCERN SELF-CERTIFICATION FORM**

<p>Please return this form to the following address:</p> <p>Housing Authority of the City of Milwaukee          Purchasing Dept.          809 N. Broadway          Milwaukee, WI 53202          Phone: (414) 286-5892 Fax: (414) 286-5502</p> <p>Any questions regarding Section 3 or this form, please contact Evans Gant, Section 3 Coordinator at (414) 286-2940 or <a href="mailto:evgant@hacm.org">evgant@hacm.org</a>.</p>	<p>The City of Milwaukee's Section 3 Self Certification application is also available online. To complete the online registration, visit the website <a href="http://milwaukee.diversitycompliance.com">milwaukee.diversitycompliance.com</a></p> <p>For assistance completing the online application, please contact the Office of Small Business Development at Phone: 414-286-5553          Email: <a href="mailto:OSBDTraining@Milwaukee.gov">OSBDTraining@Milwaukee.gov</a></p>
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**Section 3 Business Criteria:** Your business is eligible for Section 3 Business Certification if it meets any one of the following criteria. Please note that the definition of Section 3 qualified person is on Section 3 Form #3, "Section 3 Resident Self-Certification Form."

- 1. Fifty-one percent or more of your business is owned by a Section 3 resident or residents.
- 2. Thirty percent or more of your permanent, full-time employees are Section 3 residents.
- 3. You can provide evidence of a commitment to subcontract in excess of 25 percent of the amount of all subcontracts to Section 3 businesses: (a) that are fifty-one percent or more owned by public housing residents or (b) that has thirty percent or more of their permanent, full-time employees as public housing residents.

**Section 3 Business Certification Statement:** I hereby certify to the U.S. Department of Housing and Urban Development (HUD) and to the Housing Authority of the City of Milwaukee that all of the information on this form is true and correct. I understand that it is my responsibility to conduct any due diligence necessary to make this certification and to maintain documentation establishing my Section 3 Business concern status. I also understand that failure to complete this form completely and accurately may result in debarment or other administrative remedies available to HUD, and criminal or civil penalties under federal, state and local laws.

- My business is a Section 3 business in accordance with the standard checked above under Section 3 Business Criteria.
- My business is not a Section 3 business.

Signature:		Date Signed:
Name:	Title:	
Company Name		
Address		
Telephone Number		
Type of Business: (Check One): <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other		

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**Section 3 Form #3: CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (p. 1 of 6)**

**PART I: Purpose:** To ensure that regulations promulgated under 24 CFR Part 135 “Economic Opportunities for Low- and Very Low-Income Persons” is met, HACM has developed and approved a Section 3 Plan for HACM. Information on specific compliance with Section 3 is found in HACM’s Section 3 Plan, or in the regulations at 24 CFR Part 135.

This form, along with all related required documents included, shall serve as the ‘assurance of compliance’ certification and action plan as required in the bid documents, supplemental general conditions, and required forms for the contract for any Section 3 covered procurements.

Name of Business: \_\_\_\_\_

Business Address: \_\_\_\_\_

Contract Name/Solicitation #: \_\_\_\_\_

Total amount of Bid: \_\_\_\_\_

**PART II: PRIOR COMPLIANCE CERTIFICATION**

I am certifying that my business has complied with the HUD Section 3 regulations in its past HUD contracts/purchase orders .

\_\_\_\_\_  
Signature/Title

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

**PART III: IS SECTION 3 TRIGGERED BY THIS CONTRACT?**

**IF CONTRACTOR DOES NOT ANTICIPATE TRIGGERING THE SECTION 3 REGULATIONS, YOU MUST INITIAL BOTH BOXES BELOW:**

- I do not anticipate hiring any new permanent, temporary, or seasonal employees on this contract.
- I do not anticipate subcontracting any portion of the work on this contract.

If you checked both boxes, do NOT check any other boxes or select any other options on this form!  
Skip to the attestation and notarized signature on the final page of Section 3 Form #3.

**IMPORTANT: IF THIS CHANGES AT ANY POINT DURING YOUR CONTRACT, you must immediately contact your HACM contract contact as well as the HACM Section 3 Coordinator.**

**Section 3 Form #3: CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (p. 2 of 6)**

**PART IV: CONTRACTING/SUBCONTRACTING NEEDS:**

If you plan to subcontract, please list the proposed subcontractors and amounts below. Attach a Section 3 Business Concern Self-Certification form for each Section 3 Business identified.

Subcontractor Name	Work to be performed (Building trade or other type of work)	Is it a Section 3 Business? Yes/No	Contract Amount	% of Total Contract

*Use an additional sheet if required*

**Total amount to be subcontracted to Section 3 Business Concerns:**                 \$ \_\_\_\_\_

**Percentage of total \$ value of bid/contract:**   \_\_\_\_\_

**IMPORTANT:** Should the scope of work or needs of the contractor change, the contractor shall, to the greatest extent feasible, assure that subcontracts be awarded to Section 3 business concerns and shall immediately contact your HACM contract contact as well as the HACM Section 3 Coordinator.

**Section 3 Form #3: CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (p. 3 of 6)**

**PART V: WORKFORCE NEEDS AND HIRING PLAN**

**Preliminary Statement for Workforce Needs:** HACM intends to meet Section 3 compliance at the highest level and it is our intent to identify any short-term and long-term employment or contracting opportunities for qualified Section 3 persons and business concerns during the course of your contract funded by HACM via its contractors. Please list the status of all planned employment position and opportunities for this contract. **Preference for all opportunities must be given to low- and very low-income residents if they qualify.** If awarded a contract, you are required to provide a list of your aggregate workforce on this project. Any changes to that workforce during the project will constitute new hires. You are hereby notified that you must notify HACM or contractor (respectively) overseeing your contract of any new hire opportunities that arise during the life of your contract. *Anticipated workforce list may be provided on a separate sheet or in a different format and should contain anticipated hires for each contractor or subcontractor on the project.*

1. List Job Title/Trade	2. Total # of Employees Needed to complete Scope of Work by Job Title	3. Total # from Current Staff	4. Of the total # in column (3), how many are Section 3 Hires within the past 3 years?	5. Total # of New Hires Needed (Column 2 – Column 3)	6. Total # of New Hires expected to be Section 3 Residents
<b>TOTALS</b>					

*Use an additional sheet if required*

**% of Section 3 new hires to all new hires (Column 6 total divided by Column 5 total): \_\_\_\_\_ %**

**PART VI. OTHER REQUIREMENTS**

**Outreach Plan:**

Check all methods you will employ to hire Section 3 residents. Posting the position in community sources that are generally available to low-income residents and the general public is a standard requirement. Check the methods you will employ in your outreach effort:

- Mailings, emails or phone contacts with residents on the HACM Section 3 Resident List
- The local community newspaper(s)
- The most widely distributed newspaper
- HACM website
- Local Workforce Investment Board and local comprehensive job centers
- HACM offices, including housing developments, in a conspicuous location
- Homeless service agencies and other nonprofits serving low-income persons
- Posting in other local HUD-supported housing communities
- Other locations as approved by HACM
- Post notices on social media controlled by HACM

**Documentation of "To the Greatest Extent Feasible":**

The contractor will work with HACM Section 3 Coordinator and other designated staff to notify residents of any opportunities afforded under the contract. The contractor will partner with HACM by giving preference in any employment opportunities to the Section 3 persons or business concerns.

The contractor and subcontractor(s) shall recruit or attempt to recruit from HACM's Section 3 area, based on the priority order in HACM's Section 3 Plan, the necessary number of low-income and very low-income residents through documentation of their efforts and of any impediments to comply. HACM's contractors and subcontractors shall:

1. Maintain a list of all low-income area residents who have applied, either on their own or from referral from any source, and employ such person if otherwise qualified and if a vacancy exists.
2. Review and consider the Section 3 Resident List provided by HACM prior to making new hires. If those hired are not Section 3 residents, or are in a lower preference category, the Contractor must explain in writing the qualifications that those on Section 3 Resident List or other higher preference category Section 3 applicants lacked, or other reason for non-hire (e.g. job offer declined) and provide this explanation to HACM.
3. Provide evidence that the contractor has not filled vacant employment positions in its workforce immediately prior to undertaking work in an attempt to circumvent Section 3 regulations.
4. For subcontracting, review and consider the Section 3 Business Concern registry provided by HACM and/or do additional outreach to potential Section 3 businesses in the area of expertise needed for the project. Document all efforts at outreach to Section 3 businesses.

### **Section 3 Form #3: CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (p. 5 of 6)**

#### **Recordkeeping:**

The contractor shall maintain on file all records related to employment and job training of low-income and very low-income residents or other such records, advertisements, legal notices, brochures, flyers, publications, assurances of compliance from subcontractors, etc., in connection with this contract. For contracting, the contractor shall maintain on file all records related to subcontracting, including outreach efforts, bids or price quotes, documentation regarding why a Section 3 business concern was not used as subcontractor (e.g., reasons not qualified).

If there is a report that is needed as part of the submission, you agree to provide it timely. The contractor shall, upon request, provide such records or copies of records to HACM, its staff, or agents or to HUD.

#### **Reports:**

The contractor shall provide reports as required in connection with the contractor specifications. All certified and regular payrolls shall clearly detail which employees qualify under Section 3.

#### **Certification:**

The contractor will certify that any vacant employment positions, including training positions, that filled (1) after the contractor is selected but before the contract is executed; and (2) with persons other than Section 3 residents, were not filled to circumvent the subcontractor's obligations under 24 CFR Part 135.

#### **Other Economic Opportunities:**

If a contractor has demonstrated that it has attempted, to the greatest extent feasible, to meet Section 3 hiring and contracting goals but cannot, then the contractor may provide other economic opportunities to Section 3 residents and business concerns as described in the HACM Section 3 Plan. These opportunities must be described in a **written plan** on how the contractor will offer other economic opportunities. A contractor that has a need to hire or subcontract may not use other economic opportunities as a substitute to attempt to meet hiring or contracting goals; the contractor must still demonstrate how it attempted to the greatest extent feasible, to meet the goals.

#### **Grievance and Compliance:**

The contractor or subcontractor hereby acknowledges that they understand that any low-income and very low-income resident of the project area, for him/herself or as representatives of persons similarly situated, seeking employment or job training opportunities in the project area, or any eligible business concerns seeking contract opportunities, may file a grievance if efforts to the greatest extent feasible were not expended. The grievance must be filed with HUD not later than one hundred eighty (180) calendar days from the date of the action (or omission) upon which the grievance is based.



**Section 3 Form #3: CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (p. 6 of 6)**

**ATTESTATION:**

I attest that the above information is true and correct and that by signing below, the Contractor hereby agrees to comply with Section 3 requirements and to follow the Section 3 Action Plan above.

Name of Prime Contractor: \_\_\_\_\_

Name of Authorized Officer: \_\_\_\_\_

Title of Authorized Officer: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**NOTARY REQUIRED**

STATE:

COUNTY:

I, the undersigned a Notary Public in and for said authority and in said State, hereby certify that, \_\_\_\_\_, whose named as \_\_\_\_\_ (Title) of \_\_\_\_\_ (Company) is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day, that, being informed of the contents of the foregoing conveyance, he/she, in his/her capability as \_\_\_\_\_ (Officer Title), and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public      My Commission Expires: \_\_\_\_\_ {SEAL}



**Section 3 Form #4-- SECTION 3 RESIDENT SELF-CERTIFICATION AND SKILLS DATA FORM (Page 1 of 2)**  
**[THIS FORM NOT REQUIRED AT TIME OF BID/PROPOSAL SUBMISSION]**

The purpose of this form is to comply with HUD Section 3 administration and certification regulations.

**Printed Name of Individual:** \_\_\_\_\_

**My home address is (must be a street address and NOT a P.O. Box number):**

Street Address \_\_\_\_\_ Apt Number \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**Phone #:** \_\_\_\_\_ **Email Address:** \_\_\_\_\_

I certify that I am a legal resident of the United States and meet the income eligibility and federal guidelines for a Section 3 Resident below:

**To qualify as a Section 3 Resident, you must meet one of the following standards:**

1. Be a public housing resident or a Housing Choice Voucher program participant (Section 8 rent assistance voucher) managed by HACM; OR
2. Be a low income or very low income person who resides in the Milwaukee-Waukesha-West Allis metropolitan statistical area (which includes Milwaukee County, Ozaukee County, Washington County, and Waukesha County) and whose total household income does not exceed the following amounts:

*Table of Adjusted Median Income for Milwaukee-Waukesha-West Allis metropolitan statistical area (effective 3/16/2015)*

Family Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Household Income	\$41,100	\$46,950	\$52,800	\$58,650	\$63,350	\$68,050	\$72,750	\$77,450

(Check all that apply):

- I am a public housing resident (Name of housing development: \_\_\_\_\_ )
- I am a Section 8 rent assistance participant with HACM (I have a Housing Choice Voucher)
- I live in the service area of the Housing Authority (Milwaukee, Waukesha, Ozaukee or Washington County)

My total annual household income is \$ \_\_\_\_\_ and there are a total of \_\_\_\_\_ people living in my household.

**Section 3 Form #4-- SECTION 3 RESIDENT SELF-CERTIFICATION AND SKILLS DATA FORM (Page 2 of 2)**  
**[THIS FORM NOT REQUIRED AT TIME OF BID/PROPOSAL SUBMISSION]**

Read & Speak English: Yes No  
 High School Diploma: Yes No      GED or HSED: Yes No  
 College, Trade, or Technical School diploma or certifications: Yes No  
 Please list degree or certifications : \_\_\_\_\_  
 Wisconsin Driver's License: Yes No      Commercial Driver's License (CDL): Yes No

**Check the Skills, Trades, and/or Professions you have been employed in or contracted to do for others:**

- Drywall Hanging    Drywall Finishing    Interior Painting    Framing    Welding
- HVAC                    Electrical                    Interior Plumbing    Siding    Metal/Steel Work
- Cabinet Hanging    Trim/Carpentry    Heavy Equipment Operator    Roofing
- Exterior Plumbing    Exterior Framing    Stucco    Concrete/Asphalt Work    Masonry
- Construction Cleaning    Landscaping    Fencing    Window/Door Replacement
- Customer Service    Receptionist    Teaching/Training    Personal Care Aide
- Sales            Data Entry    Cleaning    Administrative/Clerical
- Lead abatement    Asbestos abatement    HAZWOPER
- Other \_\_\_\_\_
- Other \_\_\_\_\_

I am interested in:  Training opportunities     Employment Opportunities     Both

I hereby certify to the U.S. Department of Housing and Urban Development (HUD) and to the Housing Authority of the City of Milwaukee that all of the information on this form is true and correct. I attest under penalty of perjury that my total household income and household size is as shown above, and that proof of this information may be requested in the future. If found to be inaccurate, I understand that I may be disqualified as an applicant and/or a certified Section 3 individual which may be grounds for termination of training, employment, or contracts that resulted from this certification. I also understand that failure to complete this form completely and accurately may result in other administrative remedies available to HUD. Finally, I authorize the Housing Authority to include my name on a list of Section 3 Residents seeking employment and to include my contact information so that contractors may contact me.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Section 3 Form #5: CONTRACTOR SECTION 3 REPORTING FORM (page 1 of 2)**  
**[THIS FORM NOT REQUIRED AT TIME OF BID/PROPOSAL SUBMISSION]**

Name of Business: \_\_\_\_\_

Contract Name/Solicitation #: \_\_\_\_\_

Period of Report: \_\_\_\_\_

**A. CONTRACTING/SUBCONTRACTING:**

List all actual subcontractors and amounts below. Attach a Section 3 Business Concern Self-Certification form for each Section 3 Business identified.

Subcontractor Name	Work performed (Building trade or other type of work)	Is it a Section 3 Business? Yes/No	Contract Amount	% of Total Contract

*Use an additional sheet if required*

**Total of actual subcontracts to Section 3 Business Concerns:** \$ \_\_\_\_\_

**Total amount of bid/contract:** \$ \_\_\_\_\_

**Percentage of total \$ value of bid/contract to Section 3:** \_\_\_\_\_ %

**Section 3 Form #5: CONTRACTOR SECTION 3 REPORTING FORM (page 2 of 2)**  
**[THIS FORM NOT REQUIRED AT TIME OF BID/PROPOSAL SUBMISSION]**

**B. WORKFORCE NEEDS AND HIRING**

**Please complete the following table of information for all new hires that were hired and paid under the contract during the period, including those that are not Section 3 residents.**

1. List Job Title/Trade	2. Name of New Hire	3. Section 3 Resident (Yes/No)	4. Category of Section 3 Resident (Category 1-4)	5. Total Number of Hours Worked
<b>TOTALS</b>				

**Total # of new hires working on contract:** \$ \_\_\_\_\_

**Total # of Section 3 new hires working on contract:** \$ \_\_\_\_\_

**Percentage of Section 3 new hires** \_\_\_\_\_ %

**Section 3 Form #6: CONTRACTOR NEW HIRE REPORTING FORM**  
**[THIS FORM NOT REQUIRED AT TIME OF BID/PROPOSAL SUBMISSION]**

Contractors must immediately report the following information to HACM regarding every new hire on the contract or subcontract for the project:

(1) Employer: \_\_\_\_\_

(2) Name of new hire \_\_\_\_\_

(3) Position or title: \_\_\_\_\_

(4) Start date of new hire: \_\_\_\_\_

(5) Is the new hire a Section 3 resident (Yes/No): \_\_\_\_\_

(6) Which Section 3 priority preference does this Section 3 new hire fall under (Category 1-4)—see below: \_\_\_\_\_

1. Residents at the housing development or developments where the work is being performed (Category 1 residents).
2. Residents of other HACM public housing developments and holders of housing choice vouchers (Section 8 rent assistance) managed by HACM (Category 2 residents).
3. Participants in Youthbuild programs being carried out in the metropolitan area in which the Section 3 covered assistance is expended (Category 3 residents).
4. Other Section 3 residents (Category 4 residents).

(7) If the new hire is not a Section 3 resident or is a lower category Section 3 resident, how many Section 3 resident applicants were passed over in favor of the non-Section 3 hire or the lower-category Section 3 hire? \_\_\_\_\_

(8) Contractor/subcontractor must attach documentation to explain in writing the qualification or qualifications that those that were not hired lacked, or other reason for non-hire (for example, job offer declined)

*Use an additional sheet if required*