

## The Reserves at Holdsworth, Kerrville, TX. Request for Section 3 bids.

The MCP Group is soliciting bids from Section 3 business for the afore mentioned project. All area Section 3 subcontractors are encouraged to bid, and all subcontractors will be required to comply with HUD' regulations in CFR part 135 which implements section 3. The project is open to bid the following scopes of work but not limited to. Earthwork, Utilities, Pavement markings, Concrete, Asphalt, Gypcrete, Masonry, Misc. steel, Rough carpentry, Finish carpentry, Insulation, Roofing, Windows, Carpet, Wood flooring, Tile, LVT, Drywall, Window blinds, Fire sprinklers, Plumbing, HVAC, Electrical, Landscaping and irrigation.

### Sec. 134.38 Section 3 clause.

All section 3 covered contracts shall include the following clause (referred to as the section3 clause):

- 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 apprenticeship and training positions, the qualifications for each; and 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 agree 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 24CFR 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.

G. With respect to work performed in connection with section 3 covered Indian housing regulations, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible

(i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

Project documents can be obtained at <https://themcpgroup.com/planroom/>

Bids will be accepted via e-mail [estimating@theMCPgroup.com](mailto:estimating@theMCPgroup.com)

Project Questions please contact Brian Murphy or Makenzie Crow at 785-273-3882

## **We request all bids be submitted by 7/17/2022 at 2:00 pm.**

### **2 Procurement Procedures That Provide for Preference for Section 3 Business Concerns:**

A. We will utilize the “Procurement by Sealed Bids” method for this Project. We will solicit bids from all business as well as Section 3 Business Concerns using the advertising methods above. We intend to award Subcontracts to the qualified section 3 Business

Concern with the highest priority ranking and the lowest responsive bid if that bid –

- i. A) is within the maximum total contract price established in our budget for The Residences at Overlook ridge, and
- ii. B) is not more than “X” higher than the total bid price of the lowest responsive bid from any responsible bidder. “X” is determined as follows:

	<b>x = lesser of:</b>
When the lowest responsive bid is less than \$100,000	10% of that bid or \$9,000
When the lowest responsive bid is:	
At least \$100,000, but less than \$200,000	9% of that bid, or \$16,000
At least \$200,000, but less than \$300,000	8% of that bid, or \$21,000
At least \$300,000, but less than \$400,000	7% of that bid, or \$24,000

At least \$400,000, but less than \$500,000	6% of that bid, or \$25,000
At least \$500,000, but less than \$1,000,000	5% of that bid, or \$40,000
At least \$1,000,000, but less than \$2,000,000	4% of that bid, or \$60,000
At least \$2,000,000, but less than \$4,000,000	3% of that bid, or \$80,000
At least \$4,000,000, but less than \$7,000,000	2% of that bid, or \$105,000
\$7,000,000 or more	1.5% of the lowest responsive bid, with no dollar limit.

(i) If no responsive bid by a Section 3 business concern meets the requirements of paragraph (2)(i) of this section, the contract shall be awarded to a responsible bidder with the lowest responsive bid.

Any subcontractor who submits a proposal to the MCP Group for this project is required to follow 24 CFR part 135 if selected.