



CITY OF NOVI CITY COUNCIL
APRIL 3, 2023

SUBJECT: Approval to award a contract for the administration of the 2022 Program Year for the Community Development Block Grant (CDBG) Minor Home Repair Program to McKenna & Associates in the amount of \$19,393.60.

SUBMITTING DEPARTMENT: Enter submitting department here

EXPENDITURE REQUIRED	\$19,393.60
AMOUNT BUDGETED	\$170,000 (includes administration and rehabilitation work)
APPROPRIATION REQUIRED	\$0
LINE ITEM NUMBER	264-264.00-891.000

BACKGROUND INFORMATION:

Each community receiving CDBG funding must bid public service contracts (greater than \$10,000) annually in order to comply with the grant's procurement guidelines. The City received two proposals, McKenna & Associates and Decima LLC, for program year 2022 CDBG Minor Home Repair (MHR) administration.

McKenna bid 20% of the total CDBG funds the City is receiving from the County for the MHR program. This is the max allowed by the grant for an administrative fee. McKenna was awarded the CDBG contract in the prior three years to administer program year 2019, 2020, and 2021. McKenna has done a great job administering the program. The City has received several letters and emails from residents complimenting the McKenna staff. McKenna has authorized 35 projects for repair services using program year 2019, 2020, and 2021 funds. There is currently no wait list and McKenna processes applications as they arrive.

Decima bid 15% of the total CDBG funds. Unfortunately, Decima's bid did not include a detailed explanation of the bidder's ability to manage and administer the MHR program. In addition, it was unclear based on their proposal if they had the capabilities, experience or were familiar with the CDBG minor home repair program.

RECOMMENDED ACTION: Approval to award a contract for the administration of the 2022 Program Year for the Community Development Block Grant (CDBG) Minor Home Repair Program to McKenna & Associates in the amount of \$19,393.60.