MUNICIPALITY OF ANCHORAGE



Assembly Memorandum

AM No. <u>567-2025</u>

Meeting Date: July 29, 2025

FROM: MAYOR

SUBJECT: RECOMMENDATION OF AWARD OF A CONTRACT TO

HENNING, INC. (HENNING) FOR CONGREGATE SHELTER SERVICES FOR THE MUNICIPALITY OF ANCHORAGE (MOA), ANCHORAGE HEALTH DEPARTMENT (AHD), (REQUEST FOR PROPOSAL (RFP) 2025P012) (NOT TO EXCEED (NTE)

\$7,147,126.00, IF ALL OPTIONS ARE EXERCISED)).

At the request of AHD, Purchasing issued RFP 2025P012 to identify a provider or providers for congregate shelter services to begin August 1, 2025. The RFP was issued February 28, 2025, and proposals were due on March 31, 2025. Two proposals were received and scored by an evaluation committee. One proposal was from MASH Property Management LLC, and the other proposal was submitted by Henning, Inc. Neither proposal was determined to be non-responsive or non-responsible. Henning's proposal received the highest score and was recommended for award by the committee. The Contract is for the NTE amount of \$1,037,756.00 for the period of performance August 30, 2025, through December 31, 2025. This amount is based on the per-day flat rate of \$8,369.00 and the shelter will accommodate a maximum of 100 people per day.

The Contractor will provide congregate shelter services at the 56th Avenue shelter site owned by the Municipality of Anchorage. The current shelter operator is Catholic Social Services, who has been under contract at that location since October 13, 2024, and whose contract will end August 31, 2025. Catholic Social Services declined the opportunity to continue operating the shelter.

Services provided will include case management and a peer support team with an emphasis on transitioning people into permanent housing and safety patrols to monitor activity inside and outside of the facility. The Contractor will be required to enter data into the Homeless Management Information System (HMIS), and prioritize Coordinated Entry, hospital discharges, law enforcement and emergency services drop-offs, and case-by-case assessment of individual vulnerabilities ensuring a person-centered approach that accommodates urgent needs. Clients will meet with a case manager, peer support, or housing specialist at least once every two weeks. The Contractor is responsible for providing either on-site food service or prepared meals delivered, seven days a week, including at a minimum one hot meal each day.

Based on the above information and the attached Department Recommendation

 of Award Memorandum it is recommended the Assembly approve the award of this Contract to Henning in the NTE amount of \$1,037,756.00 for a period of performance of August 30, 2025, through December 31, 2025, with two optional renewal periods. Renewal Period 1 would be for the period of performance January 1, 2026, through December 31, 2026, for the not to exceed amount of \$3,054,685.00. Renewal Period 2 would be for the period of performance January 1, 2027, through December 31, 2027, for the not to exceed amount of \$3,054,685.00. If both renewal options are exercised the total NTE amount will be \$7,147,126.00

THE ADMINISTRATION RECOMMENDS APPROVAL.

13	Prepared by:	Anchorage Health Department
14	Reviewed by:	Ryan Marquis, Deputy Officer, Purchasing
15	Recommended by:	Kimberly Rash, Director, AHD
16	Concur:	Chris Hunter, Purchasing Director
17	Concur:	Ona R. Brause, Director, OMB
18	Fund certification:	Philippe D. Brice, CFO

101000-244000-530380 \$1,037,756.00

(Operating Budget)

101000-244000-530380 \$3,054,685.00

(2026 Subject to Appropriation)

101000-244000-530380 \$3,054,685.00

(2027 Subject to Appropriation)

Concur: William D. Falsey, Chief Administrative Officer Rebecca A. Windt Pearson, Municipal Manager

Respectfully submitted: Suzanne LaFrance, Mayor



Date: July 7, 2025

To: Chris Hunter, Purchasing Director

Thru: Kimberly Rash, Director

Thru: Use Leila Taylor, Division Manager, Housing Services

From: Valarie Clark, Grants and Contracts Administrator

Subject: Recommendation of Award – Request for Proposals (RFP) 2025P012 to Provide

Congregate Shelter Services to Henning, Inc.

Request for Proposals 2025P012 was issued by the Purchasing Department on February 28, 2025, to identify contractors to provide the Anchorage Health Department with congregate shelter operation services within the Municipality of Anchorage. Two responsive and responsible proposals were received.

The Evaluation Committee for this RFP met on April 22, 2025, and after scoring and discussion, recommended awarding contracts to both proposers. Henning's proposal scored slightly higher than the one submitted by MASH Property Management, LLC.

AHD recommends award of a contract for congregate shelter services to Henning, Inc. in the not to exceed amount of \$1,037,756.00 for an initial period of performance of August 30, 2025 – December 31, 2025. Services will be provided at 1111 East 56th Avenue, which is a Municipally-owned facility. Services are to be billed at the daily rate of \$8,369.00. The contract will have two optional renewal periods. Renewal Period 1 is for January 1, 2026 – December 31, 2026, billed at the daily rate of \$8,369.00 with an NTE for the Renewal Period of \$3,054,685.00. Renewal Period 2 is for January 1, 2027 – December 31, 2027, billed at the daily rate of \$8,369.00 with an NTE for the Renewal Period of \$3,054,685.00. Total NTE if both Renewal Periods are executed is \$7,147,126.00.

Please assign payment terms of Net0 to the contract and purchase order.

If you have any questions regarding this request, please call me at 343-4639.