

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: September 23, 2016

CAO File No. 0220-00540-1191

Council File No. 16-0068

Council District: Citywide

To: The Mayor  
The Council

From:  Miguel A. Santana, City Administrative Officer 

Reference: Housing and Community Investment Department Transmittal dated September 6, 2016; Received by the City Administrative Officer on September 8, 2016

Subject: **REQUEST FOR AUTHORITY TO NEGOTIATE AND EXECUTE SIX CONTRACTS FOR LEAD TECHNICAL SERVICES AND SECTION 106 HISTORIC PRESERVATION SERVICES**

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### RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Authorize the General Manager of the Housing and Community Investment Department (HCID), or designee to:
  - A. Negotiate and execute contracts with the contractors identified below for the provision of services related to the ongoing operation of the City's Lead Hazard Remediation Program (LHRP), in substantial conformance with the pro forma agreement attached to the HCID Transmittal dated September 6, 2016, for a period of one year from October 1, 2016 through September 30, 2017, with two one-year renewal options, for a total cumulative amount of all below listed contracts in an amount not to exceed \$335,180, and subject to the following: a) funding availability; b) satisfactory contractor performance; c) HCID work requirements; d) compliance with all applicable Federal, State and City regulatory requirements; e) approval of the City Attorney as to form; and, f) compliance with the City's contracting requirements:
    - 1) Barr & Clark, Inc. for the provision of lead and asbestos inspection, survey and analysis services for a total contract amount not to exceed \$39,000;
    - 2) Lead Tech Environmental Inc. for the provision of lead and asbestos inspection, survey and analysis services for a total contract amount not to exceed \$20,000;
    - 3) Paragon Partners Ltd. for the provision of relocation services for a total contract amount not to exceed \$130,000;

- 4) HomeSafe Environmental, Inc. for the provision of technical training services for a total contract amount not to exceed \$6,200;
  - 5) ASM Affiliates, Inc. for the provision of Section 106 historical preservation services for a total contract amount not to exceed \$100,000;
  - 6) Sole source contract with the City of Long Beach Department of Health and Human Services (LBHHS) for the provision of laboratory lead and radon testing services for a total contract amount not to exceed \$39,980;
- B. Prepare Controller's instructions and make any necessary technical adjustments consistent with the Mayor and City Council actions on this matter, subject to the approval of the City Administrative Officer, and request the Controller to implement these instructions; and
2. Authorize the Controller to:

- A. To transfer appropriations within Lead Grant 11 Fund No. 57R, Department 43, as follows:

From:

| <u>Account No.</u> | <u>Account Title</u>         | <u>Amount</u> |
|--------------------|------------------------------|---------------|
| 43L902             | Lead Hazard Reduction Direct | \$130,180     |

To:

| <u>Account No.</u> | <u>Account Title</u> | <u>Amount</u> |
|--------------------|----------------------|---------------|
| 43L844             | Technical Services   | \$130,180     |

- B. Expend funds in an amount not to exceed \$130,180 from Lead Grant 11 Fund No. 57R, Account No. 43L844 entitled Technical Services, upon proper written demand of the HCID General Manager, or designee.

## SUMMARY

The General Manager of the Los Angeles Housing and Community Investment Department (HCID) in its transmittal dated September 6, 2016, requests authority to enter into six contracts for the provision of lead technical services and Section 106 historic preservation services to support the City's Lead Hazard Remediation Program (LHRP). This Office concurs with HCID's request. The recommendations in this report are in compliance with the City's Financial Policies in that there is no additional cost to the City. A copy of the HCID transmittal dated September 6, 2016, along with the proposed draft contract agreement has been forwarded to the City Attorney for concurrent review and approval as to form and legality and compliance with the City's contracting requirements.

## **BACKGROUND**

The City's Lead Hazard Remediation Program (LHRP), provides financial assistance to low-income households with young children to remediate and to mitigate health risks associated with lead-based paint hazards in privately owned housing built prior to 1978. The environmental review responsibilities which the HCID are mandated to comply with are governed by the National Environmental Policy Act (NEPA); the California Environmental Quality Act (CEQA); and U.S. Department of Housing and Urban Development (HUD) requirements commonly referred to as Section 106 of the National Historic Preservation Act. Section 106 is aimed at minimalizing the potentially adverse effects of federally-funded rehabilitation on properties with significant historic value. Furthermore, Section 106 Historic Preservation Review Services are a requirement under NEPA; without evidence of NEPA compliance, the HCID would be unable to use federal funding for affordable housing and community development needs.

The HCID issued a RFP on April 4, 2016 through the Los Angeles Business Assistance Virtual Network to replace the current contracts (C.F.16-0068) for the provision of services related to the City's Lead Hazard Remediation Program (LHRP) that will expire on September 30, 2016. The RFP included five service categories: 1) Section 106 Historic Preservation; 2) Inspection, Survey, and Analysis for Hazardous Materials; 3) Laboratory Testing; 4) Relocation Services; and 5) Technical Training. A mandatory Bidder's Conference was held on April 13, 2016 to clarify the contents of the RFB, discuss the City's needs, and answer questions. The RFP included an appeal process which allowed proposers to appeal procedural issues only. The HCID did not receive any appeals in response to this RFP. Five proposals were submitted to this RFP in all service categories except laboratory testing; all submitted proposals were deemed eligible. Since there were no proposals submitted for laboratory testing services, the HCID is requesting authority to execute a sole source contract with the City of Long Beach Department of Health and Human Services (LBHHS) for the provision of laboratory testing services. The HCID has contracted with LBHHS since 2010 for laboratory services.

### Source of Funds

The HCID will allocate \$335,180 in federal grant funds for the six contracts, consisting of \$130,180 in Lead Grant funds, \$160,000 in Community Development Grant funds and \$45,000 in Home Investments Partnerships Program funds. Although it should be noted that no new funding was approved for 2017, the HCID reports that sufficient funds remain from Lead Grant 11 to cover staff and contract costs through November 30, 2017.

### 1022

Pursuant to Charter Section 1022, the Personnel Department Contract Review Report found City employees do not have the expertise to perform services in the following three service categories: 1) Section 106 Historic Preservation; 2) Inspection, Survey, and Analysis for Hazardous Materials; and 3) Laboratory Testing. A Charter 1022 determination was not required for the service category of technical training, since the proposed contract does not meet the \$25,000 contract floor threshold. Approval of the request to contract for the service category of relocation

services requires a Charter 1022 determination. A 1022 determination was made for the previous relocation services contract (C-122834); however, HCID must secure determination for relocation services for this new procurement cycle prior to executing the proposed contract with Paragon Partners Ltd. for the provision of relocation services. The contractors were selected through a RFP process approved by Council on March 1, 2016. The Department has indicated that they have sufficient funding to support existing staff and the proposed contracts through the fiscal year. The Department has received proof of compliance with all applicable City policies.

## **FISCAL IMPACT STATEMENT**

There will be no impact to the General Fund. Contract funding for the Lead Technical Services and Section 106 Historic Preservation Services will be for a cumulative amount not to exceed \$335,180 for Fiscal Year 2016-17, and funds will be provided by a U.S. Department of Housing and Urban Development, Office of Lead Hazard Control and Healthy Homes (HUD-OLHCHH) Lead Grant Fund No. 57R (\$130,180), Community Development Block Grant Fund No. 424 (\$160,000), and the HOME Investment Partnership Program Fund No. 561 (\$45,000). The recommendations in this report are in compliance with the City's Financial Policies in that there is no additional cost to the City.

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