



Administrative Report

H.13., File # 21-2618

Meeting Date: 9/21/2021

To: MAYOR AND CITY COUNCIL

From: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

TITLE APPROVE SECOND AMENDMENT TO THE MICHAEL BAKER INTERNATIONAL, INC. AGREEMENT FOR CDBG CONSULTING SERVICES FOR AN AMOUNT NOT TO EXCEED \$171,231 FOR THE EXISTING TERM

EXECUTIVE SUMMARY

The proposed Second Amendment with Michael Baker, International ("MBI") provides for the continued administration of the City's Community Development Block Grant (CDBG) Program for Fiscal Year 2021-22. The City's CDBG Program has been managed by Michael Baker International (formerly Pacific Municipal Consultants) since 2013. The CDBG Program provides federal funding for projects and services that benefit low and moderate income persons, seniors and the disabled in the community. The City's CDBG-funded programs include the Mobility Access/Emergency Repair Program (grants to homeowners for emergency repairs and ADA access improvements) and the Public Service Agency Funding Program. Additionally, CDBG monies have provided funding for various City capital projects and will be used in 2021-22 for the ongoing Curb Ramps Improvement Project.

The proposed Second Amendment provides that the payments to MBI will not exceed \$171,231

The contract amount of \$171,231 is funded by the City's FY 2021-22 entitlement from the Department of Housing and Urban Development (HUD). The City is entering into its final year of the Federal Grant Assistance contract with MBI. Per HUD regulations, the City is allowed to contract with a municipal consulting firm up to five years without having to procure new services. According to records, a Request for Proposal was issued in 2016. In 2019 an informal bid process was conducted in preparation of the 2020-2025 Consolidated Plan. MBI was determined to be the lowest bidder for CDBG consulting services.

BACKGROUND

The City is contracting with Michael Baker International for the administration of its Community Development Block Grant Program. The City's most recent agreement with MBI will expire on June 30, 2021. In order to maintain continuity of consulting services, staff is recommending approval of the attached agreement providing for MBI's services for the period July 1, 2021 - June 30, 2022. Under the agreement, Michael Baker International will provide full-service management of the CDBG program and will continue to provide Damien Delany as the City's Project Manager, in addition to

personnel from the MBI staff roster. The contract amount is not to exceed \$171,231. Funding is available in the CDBG budget as part of the City's FY 2021-22 entitlement grant from HUD.

At the June 15, 2021 City Council meeting, The City Council approved the first amendment to the agreement with MBI. The intent of the First Amendment was to add \$108,891 to the original compensation of \$62,250, revising the total not to exceed amount of compensation to \$171,141. Instead of adding the \$108,891, the language in the First Amendment revised the total not to exceed compensation of the agreement to \$108,891. The proposed second amendment will adjust the language so that the total not to exceed amount is set correctly at \$171,141.

Last fiscal year, the administrative cost related to MBI managing the CDBG program was approximately \$65,000. The total amount of \$108,891 included the annual amount to manage the CDBG program for FY21-22 and approximately \$43,000 of CARES Act funding from HUD to cover any administrative cost related to implementation, use and compliance of the CARES Act funding, which is described in Sections A and B of Exhibit A1 from the First Amendment (attached). Most of this administrative cost has been associated with Mr. Delany and his team administering the COVID-19 reimbursement grant programs for the City. These programs include: Citywide, Artesia/Aviation Commercial Corridor and Riviera Village.

MBI Consulting Agreement

Scope of Work: MBI will provide full-service management of all components of the City's Community Development Block Grant Program:

CDBG Administration: MBI will handle all administrative duties related to the program, including financial and data management, preparation of HUD-mandated documents and reports, preparation of environmental reviews, preparation of the 2021-22 Annual Plan, management and monitoring of the City's Fair Housing contract, and general program oversight to ensure compliance with all federal regulations.

Mobility Access/Emergency Repair Program: MBI will handle all facets of this program including determination of applicant eligibility, preparation of applicant paperwork, preparation of project write-ups, project bidding and project oversight.

Public Service Agency Funding Program: MBI will manage the RFP process, assist with the evaluation of proposals, prepare related reports, manage the funding award process and monitor all agencies.

Capital Improvement Projects: MBI will determine CDBG eligibility of potential capital improvement projects, prepare all federal documents for bid packages, attend the pre-construction meetings, oversee federal labor standards compliance during construction, and prepare and submit required documents to HUD.

Project Manager Damien Delany will manage the City's CDBG Program. Mr. Delany will meet regularly with City staff to provide updates on the progress of the program and to ensure proper

program administration and implementation. The term of the proposed agreement is July 1, 2021 - June 30, 2022.

Compensation: MBI will be compensated for the number of hours worked (an hourly rate schedule is included in the agreement) with annualized amounts as follows:

- **CDBG Administration:** not-to-exceed amount of \$126,731 for general administration
- **Mobility Access/Emergency Repair Program:** not-to-exceed amount of \$27,000
- **Public Service Agency Funding Program:** included in CDBG Administration fee
- **Labor Standards Compliance for Capital Improvement Projects:** not-to-exceed amount of \$17,500

Total compensation to MBI for the term of the agreement will not exceed \$171,231.

COORDINATION

The agreement with MBI has been reviewed by the City Attorney's Office.

FISCAL IMPACT

Funding for CDBG consulting services is available in the FY 2021-22 Community Development Block Grant budget. Additionally, the recommended agreement includes a provision which enables the City to reduce payments paid to MBI in the event that the federal government reduces the Redondo Beach CDBG funding allocation.

APPROVED BY:

Joe Hoefgen, City Manager

ATTACHMENTS

1. Agreement with Michael Baker International
2. MBI insurance
3. First Amendment with Michael Baker International
4. Second Amendment with Michael Baker International