

CITY OF OAKLAND

2009 DEC -3 PM 5:06

AGENDA REPORT

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Community and Economic Development Agency
DATE: December 15, 2009

RE: Resolution Authorizing Professional Services Agreements With ASES, Inc., Oaks Environmental, Essel Technology Services, Professional Services Incorporated (PSI) And SCA Environmental Consulting Services To Provide Environmental Consulting Services On An As-Needed Basis Including Lead-Based Paint Risk Assessments, Paint Inspections And Clearance Testing For Residential Rehabilitation Projects Funded Through The Residential Lending And Rehabilitation Program In An Aggregate Amount Not To Exceed \$200,000 For The Period Of December 14, 2009 Through June 30 2011.

SUMMARY

A resolution has been prepared to authorize the City Administrator to enter into professional services agreements to provide as-needed environmental consulting services, including lead based paint risk assessments, paint inspections and clearance testing, for residential rehabilitation projects funded through the Residential Lending and Rehabilitation Programs in an aggregate amount not to exceed \$200,000 for the period of December 14, 2009 through June 30, 2011, with the following five (5) firms:

- ASES, Incorporated, Oakland
- Oaks Environmental Testing, Oakland
- Essel Technology Services, Oakland
- Professional Services Industries (PSI), Inc., Oakland
- SCA Environmental, Inc., Oakland

Each agreement will be on an as-needed basis. The Residential Lending and Housing Rehabilitation Services unit of CEDA's Housing and Community Development division will manage the contracts.

The City administers ten single-family and multi-family housing rehabilitation programs funded with Community Development Block Grant (CDBG), HOME (Federal), Oakland Redevelopment Agency (ORA) and American Recovery and Reinvestment Act (ARRA) funds. These are:

- Home Maintenance and Improvement Program
- Emergency Home Repair Program
- Access Improvement Program

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- Seismic Safety and Improvement Program
- Neighborhood Housing Revitalization Program
- Lead Safe Homes Program
- Central City East Homeownership Rehabilitation Program
- Minor Home Repair Program
- Weatherization and Energy Retrofit Program
- Neighborhood Stabilization Program.

Federal requirements mandate lead-based paint testing for CDBG, HOME and ARRA projects with budgets exceeding \$5,000. Of the 284 residential rehabilitation projects completed or under construction during Fiscal Year 08/09, the rehabilitation costs of 164 of those projects exceeded \$5,000.

In June 2006, the City Council approved Resolution No. 80048 C.M.S., authorizing agreements with Oaks Environmental, Essel Technology Services, PSI and SCA Environmental to provide lead-based paint risk assessments, paint inspections and clearance testing. The resolutions proposed in this action will continue the established collaboration with these four Oakland-based environmental consulting firms, and will begin another collaboration with a newly established Oakland-based firm, ASES Incorporated.

These resolutions will support compliance with HUD regulations by providing consulting services to assist in the City's efforts to resolve environmental challenges that impact public health and safety, natural resources and the quality of life in Oakland. Approval of these resolutions will also enable the City to provide needed services and ensure that rehabilitation projects funded through Residential Lending and Rehabilitation Services are completed in a timely manner.

FISCAL IMPACT

New funds will not be required for this action. Funds totaling \$200,000 are available in the FY 2009-2010 adopted budget in the HUD – CDBG Fund (2108) Municipal Lending Organization (88939), Third Party Contract Account (54912), Rehabilitation Loan Program Costs Project (G08750) to fund the contracts. The requisite consultant services are eligible costs for rehabilitation activities defined by the U.S Department of Housing and Urban Development guidelines for both HOME and CDBG-funded programs.

BACKGROUND

In 1992, the Residential Lead-Based Paint Hazard Reduction Act (Title X) was approved by Congress and became a requirement of HUD-funded programs. As a result, federally funded rehabilitation activities that occur on housing units built prior to 1978 are subject to the Act. Specific requirements include lead hazard risk assessment, paint inspection, interim controls, abatement of lead based paint hazards, and post-rehabilitation clearance testing.

On September 15, 1999, the U.S. Department of Housing and Urban Development (HUD) issued a regulation to protect young children from lead-based paint hazards in all housing that receives financial assistance from the federal government or is being sold by the government. The new regulation became effective September 15, 2000.

On July 9, 2009, a Request for Proposals (RFP) for lead-based paint environmental consulting services contracts was sent to five firms. Interviews with each consultant team were conducted on July 20, 2009.

KEY ISSUES AND IMPACTS

According to 2000 census data, the City of Oakland has 141,991 housing units that were built prior to 1980, where lead-based paint is most often found. This represents 90% of the City's existing housing stock. Senior citizens and families living in these homes with children under the age of six are at risk of lead poisoning.

To insure proper mitigation and abatement of lead hazards, and to protect occupants and construction workers in properties receiving financial and technical assistance through City residential rehabilitation programs, the source of the hazards must be identified prior to the commencement of construction. The risk assessment is the required tool for proper identification, and the clearance test is the tool used for post-construction verification of mitigation.

The primary goal of the City's Residential Lending and Rehabilitation programs is to provide the City with a well-organized mechanism for effectively rehabilitating the City's stock of salvageable housing and for preventing neighborhood deterioration. Depending on the extent of the rehabilitation work, lead hazards may be disturbed or removed. The lead paint consulting services are necessary to determine the appropriate level of lead hazard mitigation to employ on a given project.

As part of the inspection process for program applicants, the lead paint consultants will conduct a paint inspection and perform a lead-based paint hazard evaluation (risk assessment). The scope of work that is prepared by Rehabilitation staff for contractor bidding will incorporate the findings and recommendations for hazard mitigation set forth in the consultant's report.

Staff has allocated \$200,000 of the Rehabilitation Loan Program Costs project budget for these services within the existing housing rehabilitation program activities. The requisite consultant services are eligible costs for rehabilitation activities defined by the U.S. Department of Housing and Urban Development guidelines for both HOME and CDBG-funded programs.

The exact scope of the consulting work will be determined on a project by project basis, and the generally required consultant services will include:

Lead-based paint pre-rehabilitation inspections, project design assistance, abatement/remediation cost estimating, project plan and specification preparation, laboratory services, and clearance testing. These services need to be performed in such a manner that project schedules and site operations are impacted as little as possible.

PROPOSED CONTRACTS:

In response to the RFP, the consultants included in their bids a cost quotation sheet calculated on a square footage basis by project category: small (0-750 square feet), medium (751-1500 square feet) and large (1501 square feet and above). The results are shown below:

LEAD CONSULTANT PRICES				
CONTRACTOR	S,F,	COMBO RISK ASSESSMENT-LEAD INSPECT. REPORT	CLEARANCE REPORT	TOTAL
ASES, INC	0-750	\$ 540.00	\$ 235.00	\$ 775.00
	751-1500	\$ 665.00	\$ 350.00	\$1,015.00
	1501+	\$ 935.00	\$ 780.00	\$1,715.00
OAKS ENVIR.	0-750	\$ 475.00	\$ 150.00	\$ 625.00
	751-1500	\$ 550.00	\$ 175.00	\$ 725.00
	1501+	\$ 650.00	\$ 200.00	\$ 850.00
ESSEL TECH	0-750	\$ 850.00	\$ 350.00	\$1,200.00
	751-1500	\$ 1,000.00	\$ 350.00	\$1,350.00
	1501+	\$ 1,200.00	\$ 350.00	\$1,550.00
PSI	0-750	\$ 1,625.00	INCLUDED	\$1,625.00
	751-1500	\$ 1,790.00		\$1,790.00
	1501+	\$ 1,955.00		\$1,955.00
SCA ENVIR	0-750	\$ 635.00	\$ 470.00	\$1,105.00
	751-1500	\$ 675.00	\$ 470.00	\$1,145.00
	1501+	\$ 760.00	\$ 470.00	\$1,230.00

Based on the interview performances of the consultant teams, the specific needs of the City and the need for a sufficient pool of consultants, all five consulting teams are being recommended to provide the as-needed services.

The city's requirement is 10% for LBE participation and 10% for SLBE (total LBE/SLBE participation is 20%). The LBE/SLBE information has been verified by the Department of Contracting and Purchasing (DCP) and is shown below:

The Department of Contracting and Purchasing (DCP), Division of Social Equity, reviewed five (5) proposals in response to the above referenced project. Below is the outcome of the compliance evaluation for the minimum 20% Local and Small Local Business Enterprise (L/SLBE) participation requirement, and a preliminary review for compliance with the Equal Benefits Ordinance (EBO).

Below are the results of our findings:

Responsive		Proposed Participation				Earned Credits and Discounts				
Company Name	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	Trucking	Total Credited participation	Preference Points	Adjusted Bid Amount	Banked Credits Eligibility	EBO Compliant Y/N
Essel Technology Services.	NA	80%	0%	80%	NA	80%	5 points	NA	2 points	Y
SCA Environmental	NA	100%	90%	10%	NA	20%	2 points	NA	0 points	Y

Comments: As noted, the above firms met or exceeded the minimum 20% L/SLBE participation requirement.

Non-Responsive		Proposed Participation				Earned Credits and Discounts				
Company Name	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	Trucking	Total Credited participation	Preference Points	Adjusted Bid Amount	Banked Credits Eligibility	EBO Compliant Y/N
Bruce Askanas	NA	0%	0%	0%	NA	0%	0 points	NA	0 points	N
Oaks Environmental Testing	NA	0%	0%	0%	NA	0%	0 points	NA	0 points	N
PSI, Inc.	NA	100%	100%	0%	NA	0%	0 points	NA	0 points	Y

Comments: As noted, Bruce Askanas, Oaks Environmental Testing and PSI, Inc. failed to meet the minimum 20% L/SLBE participation requirement and our L/SLBE database and other proposals shows that there are local firms that can participate in this contract. Therefore, these firms are deemed non-responsive at this point in the process. As this is a negotiated agreement, the firm could revise its team and meet the L/SLBE participation requirements. Neither firm is EBO compliant. They will have to come into compliance prior to award.

As noted above, Essel and SCA Environmental both meet the City's requirements for L/SLBE participation. Staff recommends approval of these two firms.

Presently, ASES, Oaks Environmental Testing and PSI failed to meet the minimum 20% L/SLBE participation requirement and the Equal Benefits Ordinance (EBO). All these firms have submitted documentation to the Department of Contracting and Purchasing (DCP) to establish compliance with L/SLBE and EBO requirements. Because the anticipated workload exceeds the capacity of Essel and SCA, staff recommends approval of these three consultants contingent upon their compliance with L/SLBE and EBO requirements. Contracts will not be executed until staff receives confirmation from the DCP that all contracting requirements have been met.

Each of the selected firms and their team partners have the technical personnel to perform the required work, and have clearly demonstrated their understanding of the technical complexities and regulatory issues confronting the City.

SUSTAINABLE OPPORTUNITIES

Economic: The consultant services do not specifically or independently provide economic opportunities for sustainable development. The rehabilitation programs support the City's affordable and sustainable housing and community development programs, which contribute to sustainable development through smart growth, job creation, economic development, and improvements in housing and community conditions.

The consultant services will preserve the availability of program services to disadvantaged areas of the City and improve the quality of life in residential neighborhoods by assisting in the removal of conditions that contribute to neighborhood blight and housing stock deterioration.

Environmental: The elimination of lead-based paint hazards will remove a serious environmental and health hazard. Lead is extremely hazardous to seniors, children under six, and pregnant mothers. The reduction of lead in residential properties helps to mitigate irreversible health effects, brain and nervous system damage, reduced intelligence and learning disabilities.

Social Equity: Residential Rehabilitation Program activities improve physical conditions throughout the City. Residential Lending and Rehabilitation facilitates job creation, support for local businesses, tax revenue generation, blight reduction, neighborhood stabilization and general property improvements for seniors, low and moderate income property owners, small developers and businesses.

DISABILITY AND SENIOR CITIZEN ACCESS

Residential Lending and Rehabilitation Services' primary function is to provide financial and technical rehabilitation assistance to very low and moderate income senior citizens and persons with disabilities who rent and own their homes in Oakland. The Minor Home Repair Program provides grants for minor home repairs to disabled and/or senior homeowners and the Access Improvement Program provides grants for accessibility modifications to both owner-occupied and rental properties. Qualifying seniors and persons with disabilities are eligible to take advantage of the remaining programs as well. Program funds are available on a first come, first serve basis but seniors and persons with disabilities are given priority.

RECOMMENDATIONS AND RATIONALE

Because the anticipated workload exceeds the capacity of Essel and SCA, services of all five firms may be required.

Staff recommends:

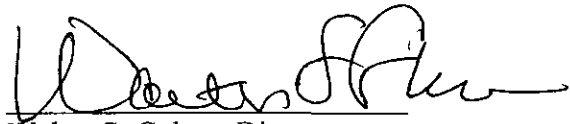
1. That the City Council approve contracts with Essel Technology Services and SCA Environmental Consulting Services.
2. That the City Council approve contracts with ASES, Inc., Oaks Environmental Professional Services and Professional Services Incorporated (PSI) only when these firms are certified by DCP as having met all contracting requirements.

The total amount of the contracts will not exceed \$200,000 and will come from the rehabilitation loan program project funds budgeted for Fiscal Year 2009-10.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests approval of the attached resolution.

Respectfully Submitted,

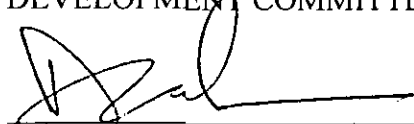


Walter S. Cohen, Director
Community and Economic Development Agency

Reviewed by:
Jeffrey P. Levin, Acting Deputy Director
Housing and Community Development

Prepared by:
Loyd Ware, Manager
Residential Lending and Rehabilitation

APPROVED AND FORWARDED TO
THE COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE:



Office of the City Administrator

Item: _____
CED Committee
December 15, 2009

FILED
OFFICE OF THE CITY CLERK
OAKLAND

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Approved as to form and legality:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

RESOLUTION AUTHORIZING PROFESSIONAL SERVICES AGREEMENTS WITH ASES, INC., OAKS ENVIRONMENTAL, ESSEL TECHNOLOGY SERVICES, PROFESSIONAL SERVICES INCORPORATED (PSI), AND SCA ENVIRONMENTAL CONSULTING SERVICES TO PROVIDE ENVIRONMENTAL CONSULTING SERVICES ON AN AS-NEEDED BASIS, INCLUDING LEAD-BASED PAINT RISK ASSESSMENTS, PAINT INSPECTIONS AND CLEARANCE TESTING FOR RESIDENTIAL REHABILITATION PROJECTS FUNDED THROUGH THE RESIDENTIAL LENDING AND REHABILITATION PROGRAM, IN AN AGGREGATE AMOUNT NOT TO EXCEED \$200,000 FOR THE PERIOD OF DECEMBER 14, 2009, THROUGH JUNE 30, 2011

WHEREAS, federal regulations require that housing rehabilitation activities financed with federal funds assess and mitigate hazards associated with the presence of lead-based paint; and

WHEREAS, the City finances its housing rehabilitation activities in part from federal grants under the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and American Recovery and Reinvestment Act (ARRA) programs; and

WHEREAS, the City needs to be able to conduct pre-rehabilitation, lead-based paint risk assessments, paint inspections, laboratory analyses and post-rehabilitation clearance testing; and

WHEREAS, the City needs to be able to provide pre-rehabilitation, lead-based paint hazards assessments at properties that the City will provide financial assistance for residential rehabilitation; and

WHEREAS, the City needs to provide laboratory services and clearance testing services to support the City's housing rehabilitation activities; and

WHEREAS, the City needs to be able to conduct environmental investigations at, and characterize suspect hazardous materials existing in, properties where the City will administer federally-funded rehabilitations; and

WHEREAS, the City needs to be able to provide environmental quality control services through rehabilitation project construction monitoring, air monitoring, and laboratory services to support the City's federally-funded rehabilitation programs; and

WHEREAS, the City needs consultants that are thoroughly knowledgeable in the application of local, state, and federal environmental regulations; and

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WHEREAS, the City needs consultants that will interact with regulatory agencies, as the City's technical expert, in negotiations regarding environmental investigation and remediation; and

WHEREAS, the City needs responsive services to meet deadlines for regulatory requirements and such responsiveness is most effectively provided through as-needed contracts; and

WHEREAS, through the City's Request for Proposals process, all five consultants referenced in this Resolution met City requirements to provide the services required; and

WHEREAS, the City Council finds that the services provided pursuant to the agreements authorized hereunder are of a professional, scientific or technical nature and are temporary in nature; and

WHEREAS, the City Council finds that the agreements directly or indirectly support the City Council goal to develop a "Sustainable City"; and

WHEREAS, the City Council finds that the agreements shall not result in the loss of employment or salary by any person having permanent status in the competitive service; now, therefore, be it

RESOLVED: That the City Administrator or his/her designee is hereby authorized to negotiate and enter into agreements with ASES, Inc., Oaks Environmental, Essel Technology Services, Professional Services Incorporated (PSI), and SCA Environmental Consulting Services in an aggregate amount not to exceed \$200,000 to provide as-needed professional environmental consulting services in connection with residential rehabilitation projects funded through the Residential Lending and Rehabilitation Program from December 14, 2009, through June 30, 2011; and be it further

RESOLVED: That the agreements with ASES, Inc, Oaks Environmental and Professional Services Incorporated are conditioned on verification from the Department of Contracting and Purchasing that all City contracting requirements have been met; and be it

FURTHER RESOLVED: That the funds for these agreements are allocated from the HUD – CDBG Fund (2108) Municipal Lending Organization (88939), Third Party Contract Account (54912), Rehabilitation Loan Program Costs Project (G08750); and be it

FURTHER RESOLVED: That the aggregate amount expended for the contracts for all five firms shall not exceed \$200,000, and the City Administrator is authorized to allocate contract amounts among the contracts authorized herein in his discretion within authorized aggregate maximum; and be it

FURTHER RESOLVED: That the City Administrator or his/her designee is hereby authorized to approve any subsequent amendments to or extensions of said agreements with the exception of those related to an increase in total compensation or the allocation of additional funds, provided that such amendments or extensions shall be filed with the City Clerk's Office; and be it

FURTHER RESOLVED: That copies of the executed agreements will be placed on file in the City Clerk's Office and will be reviewed and approved for form and legality by the Office of the City Attorney; and be it

FURTHER RESOLVED: That the City Administrator or his or her designee is hereby authorized to take any other actions with respect to the agreements consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2009

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND
PRESIDENT BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California