



# **City of Grand Island**

**Tuesday, July 13, 2004**

**Council Session**

## **Item G20**

**#2004-167 - Approving Bid Award for Housing Rehabilitation Services**

**Staff Contact: Joni Kuzma**

# **Council Agenda Memo**

**From:** Joni Kuzma  
**Meeting:** July 13, 2004  
**Subject:** Contract Award for Housing Rehabilitation Services  
**Item #'s:** G-20  
**Presenter(s):** Joni Kuzma

## **Background**

In September 2003, the City of Grand Island was awarded a \$270,400.00 grant for the rehabilitation of 10 owner-occupied homes in the Community Development Block Grant Project Area. To date, 22 rehab pre-applications and full applications have been received, three homes have been approved for the rehab program and lead inspections have been completed by a Certified Lead Hazard Risk Assessor on each property. The next step in the rehab process is to complete work write-ups for the improvements required for each home and to bid the work for each project. Community Development staff will work with the Housing Rehabilitation Services consultant in completion of no less than 10 rehab projects.

## **Discussion**

Due to Community Development staff changes and responsibility reassignments, it is the recommendation of Community Development to hire a Rehabilitation Services Consultant to manage, supervise and coordinate the rehabilitation of no less than 10 homes, which have been pre-approved by the Community Development Division for the Owner-occupied Rehabilitation program.

A Request for Proposals was published on June 20, 2004. The proposals were opened on June 30, 2004. Based on the qualifications in the Proposals, Community Development staff recommends that the contract be awarded to Community Development Services, LLC, owned and operated by Randy and Leigh Alexander.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the contract award for Rehabilitation Services Consultant to Community Development Services, LLC, for a total amount not to exceed the grant allowance of 7% of the total award amount (or \$17,500).
2. Disapprove or /Deny the contract award for Rehabilitation Services management.
3. Modify the contract award for Rehabilitation Services management to meet the wishes of the Council
4. Table the issue

## **Recommendation**

City Administration recommends that the Council approve the contract award for Rehabilitation Services Consultant to Community Development Services, LLC, for a total amount not to exceed the grant allowance of 7% of the total award amount (or \$17,500).

## **Sample Motion**

Approve the contract award for Rehabilitation Services Consultant to Community Development Services, LLC, for a total amount not to exceed the grant allowance of 7% of the total award amount (or \$17,500).



Dale M. Shotkoski, Assistant City Attorney

*Working Together for a  
Better Tomorrow, Today*

**REQUEST FOR PROPOSAL  
FOR  
HOUSING REHABILITATION SERVICES**

**RFP DUE DATE:** June 30, 2004 at 4:00 p.m.

**DEPARTMENT:** Planning Department

**PUBLICATION DATE:** June 20, 2004

**NO. POTENTIAL BIDDERS:** 5

**SUMMARY OF PROPOSALS RECEIVED**

**Nelson Contracting**  
Grand Island, NE

**Community Development Services, LLC**  
Plainview, NE

**Housing Development Corporation**  
Grand Island, NE

cc: Chad Nabity, Regional Planning Director  
Jerenne Garrouette, Planning Department  
Gary Greer, City Administrator  
David Springer, Finance Director  
Dale Shotkoski, Purchasing Agent  
Laura Berthelsen, Legal Assistant

**COMMUNITY DEVELOPMENT SERVICES, LLC**  
**SERVICE / CONSULTANT AGREEMENT**  
**FOR HOUSING ADMINISTRATION**

THIS AGREEMENT made and entered into by and between the City of Grand Island, Nebraska, hereinafter referred to as the "City" and Community Development Services, LLC, hereinafter referred to as the "Consultant."

WITNESSES THAT:

WHEREAS, the City and the Consultant are desirous of entering into a contract to formalize their relationship, and

WHEREAS, pursuant to Title I of the Housing and Community Development Act of 1974, as amended through 1981, the State of Nebraska Department of Economic Development (DED) is authorized by the federal Department of Housing and Urban Development (HUD) to provide Community Development Block Grant Program funds (hereinafter referred to as CDBG funds) to units of local government selected to undertake and carry out certain programs and projects under the Nebraska State Community Development Block Grant Program in compliance with all applicable local, state and federal laws, regulations and policies, and

WHEREAS, the City has been notified of CDBG funds reservation as a result of a CDBG application #03-HO-404 for the purposes set forth herein, and

WHEREAS, the Scope of Work included in this contract is authorized as part of the City's approved CDBG program, and

WHEREAS, it would be beneficial to the City to utilize the Consultant as an independent entity to accomplish the Scope of Work set forth herein and such endeavor would tend to best accomplish the objectives of the local CDBG program.

NOW, THEREFORE, in consideration of the mutual promises, covenants and provisions contained herein and the mutual benefits to be derived therefrom, the parties hereto agree as follows:

**1. Services to be Provided by the Parties**

- a. The Consultant shall complete in a satisfactory and proper manner as determined by the City the work activities described in the Scope of Work (Attachment #1 to the contract).
- b. The City will provide such assistance and guidance as may be required to support the objectives set forth in the Scope of Work and will provide compensation for services as set forth in Section 3 below.

**2. Time of Performance**

The effective date of this contract shall be the date of selection by the City. The termination date of the contract shall be upon the end of the required monitoring period as determined later by DED.

**3. Consideration**

The City shall reimburse the Consultant for all allowable expenses agreed upon by the parties to complete the Scope of Work. In no event shall the total amount reimbursed by the City exceed the grant allowance of 7% of total award amount (or \$17,500). It is expressly understood that claims for reimbursement shall not be submitted in excess of actual, immediate cash requirements necessary to carry out the purposes of this agreement.

It is also understood that this contract is funded in whole with CDBG funds through the State of Nebraska Community Development Block Grant Program as administered by DED and is subject to those regulations and restrictions normally associated with federally funded programs and any other requirements that the state may prescribe.

#### **4. Records**

The Consultant agrees to maintain such records and follow such procedures as may be required under OMB Circular A102 and any such procedures that the City and DED may prescribe. In general such records will include information pertaining to the contract, obligations and unobligated balances, assets and liabilities, outlays, equal opportunity, labor standards (as appropriate), and performance.

All such records and all other records pertinent to this contract and work undertaken under this contract shall be retained by the Consultant for a period of four years after the final audit of the City's CDBG project, unless a longer period is required to resolve audit findings or litigation. In such cases, the City shall request a longer period for record retention.

The City, DED and duly authorized officials of the state and federal government shall have full access and the right to examine any pertinent documents, papers, records and books of the Consultant involving transactions to this local program and contract.

#### **5. Relationship**

The relationship of the Consultant to the City shall be that of an independent Consultant rendering professional services. The consultant shall have no authority to execute contracts or to make commitments on behalf of the City and nothing contained herein shall be deemed to create the relationship of employer and employee or principal and agent between the City and the Consultant.

#### **6. Suspension, Termination and Close Out**

If the Consultant fails to comply with the terms and conditions of this contract the City may pursue such remedies as are legally available including, but not limited to the suspension or termination of this contract in the manner specified herein:

- a. **Suspension.** If the Consultant fails to comply with the terms and conditions of this contract, or whenever the Consultant is unable to substantiate full compliance with the provisions of this contract, the City may suspend the contract pending corrective actions or investigate effective not less than 7 days following written notification to the Consultant or its authorized representative. The suspension will remain in full force and effect until the Consultant has taken corrective action to the satisfaction of the City and is able to substantiate its full compliance with these terms and conditions of this contract. No obligations incurred by the Consultant or its authorized representatives during the period of suspension will be allowable under the contract except;
  - i. Reasonable, proper and otherwise allowable costs which the Consultant could not avoid during the period of suspension.
  - ii. If upon investigation, the Consultant is able to substantiate complete compliance with the terms and conditions of this contract, otherwise allowable costs incurred during the period of suspension will be allowed.
  - iii. In the event all or any portion of work prepared or partially prepared by the Consultant be suspended, abandoned, or otherwise terminated the City shall pay the Consultant for work performed to the satisfaction of the City, in accordance with the percentage of the work completed.

- b. **Termination for Cause.** If the Consultant fails to comply with the terms and conditions of this contract and any of the following conditions exist:
- i. The lack of compliance with the provisions of this contract is of such scope and nature that the City deems continuation of the contract to be substantially detrimental to the interests of the City.
  - ii. The consultant has failed to take satisfactory action as directed by the City or its authorized representative within the time specified by same.
  - iii. The consultant has failed within the time specified by the City or its authorized representative to satisfactorily substantiate its compliance with the terms and conditions of this contract; then, the City may terminate this contract in whole or in part, and thereupon shall notify the Consultant of the termination, the reasons therefore, and the effective date provided such effective date shall not be prior to notification of the Consultant. After this effective date, no charges incurred under any terminated portions are allowable.
- c. **Termination for Other Grounds.** This contract may also be terminated in whole or in part:
- i. By the City, with the consent of the Consultant, or by the Consultant with the consent of the City, in which case the two parties shall devise by mutual agreement, the conditions of termination in part, that portion to be terminated.
  - ii. If the funds allocated by the City via this contract are from anticipated sources of revenue, and if the anticipated sources of revenue do not become available for use in purchasing said services.
  - iii. In the event the City fails to pay the Consultant promptly or within 60 days after invoices are rendered, the City agrees that the Consultant shall have the right to consider said default a breach of this agreement and the duties of the Consultant under this agreement terminated. In such an event, the City shall then promptly pay the Consultant for all services performed and all allowable expenses incurred.
  - iv. The City may terminate this contract at any time giving at least 10 days notice in writing to the Consultant. If the contract is terminated for convenience of the City as provided herein, the Consultant will be paid for time provided and expenses incurred up to the termination date.

## **7. Changes, Amendments, Modifications**

The City may, from time to time, require changes or modifications in the scope of services to be performed hereunder. Such changes, including any increase or decrease in the amount of compensation therefore, which are mutually agree upon by the City and the Consultant shall be incorporated in written amendments to this contract.

## **8. Personnel**

The Consultant represents that he/she has, or will secure at his/her own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees or have any contractual relationship to the City.

All services required hereunder will be performed by the Consultant or under his supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state or local law to perform such services.

None of the work or services covered by this contract shall be subcontracted without prior written approval of the City. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this contract.

## **9. Assignability**

The Consultant shall not assign any interest on this contract, and shall not transfer any interest on this contract (whether by assignment or notation), without prior written consent of the City thereto; provided, however, that claims for money by the Consultant from the City under this contract may be assigned to a bank, trust company, or other financial institutions without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the City.

## **10. Reports and Information**

The Consultant, at such times and in such forms as the City may require, shall furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this contract.

## **11. Findings Confidential**

All of the reports, information, data, etc., prepared or assembled by the Consultant under this contract are confidential and the Consultant agrees that they shall not be made available to any individual or organization without prior written approval of the City.

## **12. Copyright**

No reports, maps, or other documents produced in whole or in part under this contract shall be subject of an application for copyright by or on behalf of the Consultant.

## **13. Compliance With Local Laws**

The Consultant shall comply with all applicable laws, ordinances and codes of the state and local governments and the Consultant shall hold the City harmless with respect to any damages arising from any tort done in performing any of the work embraced by this contract and from failure to comply with any condition or term of this contract.

## **14. Executive Order 11246\* (APPLICABLE TO CONSTRUCTION CONTRACTORS ONLY)**

## **15. Title VI of the Civil Rights Act of 1964**

Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits or, or be subjected to discrimination under any program or activity receiving federal financial assistance.

## **16. Section 109 of the Housing and Community Development Act of 1974**

No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied benefits of or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

## **17. Section 3 Compliance in the Provision of Training, Employment and Business Opportunities**

- a. The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for work



in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.

- b. The parties to this contract will comply with the provision of said Section 3. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these provisions.
- c. The Consultant will send to each labor organization or representative or workers with which he/she has collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative or his/her commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- d. The Consultant will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for, or receipt of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135. The Consultant will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
- e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued hereunder prior to the execution of the contract, shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its consultants and subcontractors, its successors and assigns to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

#### **18. Age Discrimination Act of 1975, As Amended (42 U.S.C. 6161, et.seq.)**

The law provides that no person will be excluded from participation, denied program benefits or subjected to discrimination on the basis of age under any program or activity receiving federal funding assistance.

#### **19. Section 504 of the Rehabilitation Act of 1973, As Amended (29 U.S.C. 794)**

The law provides that no otherwise qualified individual will, solely by reason of his other handicap, be excluded from participation (including employment), denied program benefits or subjected to discrimination under any program or activity receiving federal assistance funds.

#### **20. Executive Order 11246, As Amended**

This Order applies to all federally assisted construction contracts and subcontracts. The Grantee and subcontractors, if any, will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Grantee and subcontractors, if any, will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin.

#### **21. Conflict of Interest**

No officer, employee or agent of the Grantee who will participate in the selection, the award, or the administration of this grant may obtain a personal or financial interest or benefit from the activity or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder either for themselves or those with whom they have family or business ties, during their tenure or for one

year thereafter. It is further required that this stipulation be included in all subcontracts to this contract. Upon written request, exception may be granted upon a case by case basis when it is determined that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project. These exceptions are granted by DED.

## **22. Audits and Inspections**

The City, DED, the State Auditor and HUD or their delegates shall have the right to review and monitor the financial and other components of the work and services provided and undertaken as part of the CDBG project and this contract, by whatever legal and reasonable means are deemed expedient by the City, DED, the State Auditor and HUD.

## **23. Hold Harmless**

The Consultant agrees to indemnify and hold harmless the City, its appointed and elective officers and employees, from and against all loss and expense, including attorney's fees and costs by reason of any and all claims and demands upon the City, its elected or appointed officers and employees from damages sustained by any person or persons, arising out of or in consequence of the Consultant's and its agents' negligent performance of work associated with this agreement. The Consultant shall not be liable for property and bodily injury as may result from the negligence of any construction contractor or construction subcontractor.

This agreement contains all terms and conditions agreed to by the City and the Consultant. The attachments to this agreement are identified as follows:

**Attachment #1, Scope of Work, consisting of one page.**

WITNESS WHEREOF, the City and the Consultant have executed this contract agreement as of the date and year last written below.

**CITY OF GRAND ISLAND, NEBRASKA**

BY \_\_\_\_\_

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

**COMMUNITY DEVELOPMENT SERVICES, LLC**

BY \_\_\_\_\_

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

## **ATTACHMENT 1**

### **SCOPE OF WORK**

#### **THE CONTRACTOR WILL AS FOLLOWS:**

1. Provide housing administrative services for CDBG housing rehabilitation program.
2. Serve as the representative between homeowners, building contractors and the City for rehabilitation projects.
3. Assist city staff in maintaining housing rehabilitation project files.
4. Conduct preliminary inspections of homes pre-approved by city staff.
5. Prepare all work write-ups.
6. Perform ongoing construction monitoring inspections. City staff may shadow during inspections.
7. Ensure compliance with HUD's Lead-Based Paint Regulations, and provide or arrange for Lead-Based Paint Inspections, Risk Assessments and Clearance Testing as needed.
8. Verify work completed and provide payment requests to city staff.
9. Perform final inspections and certify completion of work.
10. Provide progress reports to the City of Grand Island as requested.
11. Perform other related work necessary for NAHP housing rehabilitation program completion.
12. Maintain records as required by NDED and/or the City of Grand Island.

RESOLUTION 2004-167

WHEREAS, the City of Grand Island invited proposals for Housing Rehabilitation Services Consultant to manage, supervise and coordinate the rehabilitation of no less than 10 homes for the Owner-Occupied Rehabilitation Program, according to plans and Request for Proposals on file with the Community Development Division; and

WHEREAS, proposals were due on June 30, 2004; and

WHEREAS, Community Development Services, LLC of Plainview, Nebraska, submitted a proposal in accordance with the terms of the Request for Proposals and all other statutory requirements contained therein at a not to exceed cost of \$17,500; and

WHEREAS, the proposed Service / Consultant Agreement for Housing Administration with Community Development Services, LLC for such services has been reviewed and approved by the City Attorney's office.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the proposal of Community Development Services, LLC of Plainview, Nebraska, for rehabilitation services management for housing administration at an amount not to exceed \$17,500 is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such agreement on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, July 13, 2004.

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RaNae Edwards, City Clerk

Approved as to Form	☐ _____
July 8, 2004	☐ City Attorney