



# City of Rialto

## Legislation Text

---

**File #:** 21-0171, **Version:** 1

---

For City Council Meeting [April 27, 2021]

TO: Honorable Mayor and City Council

APPROVAL: Sean Grayson, Acting City Manager

FROM: Stephen Erlandson, Deputy City Manager

Request City Council Approve the Amended and Restated Professional Services Agreement (PSA) with LDM Associates, Inc. to Continue Community Development Block Grant (CDBG) and Neighborhood Stabilization Program (NSP) Consulting Services and Provide Additional Services for the HOME Program Increasing the Contract by \$62,000 for a Total Not-To-Exceed Contract Amount of \$333,950 and Extending the Term to June 30, 2021.

**(ACTION)**

### **BACKGROUND**

On February 12, 2019, City Council awarded LDM Associates, Inc. ("LDM") an Agreement for Consultant Services, pursuant to which LDM agreed to provide Community Development Block Grant Consultant Services to the City ("Original Agreement"). On February 11, 2020, City Council also authorized an amendment to the Original Agreement continuing implementation and administration for the CDBG and NSP programs and to provide additional services for the preparation and submission of the Five-Year Consolidated Plan (2020-2025) ("First Amendment").

The Original Agreement and First Amendment were prepared by the former City Attorney. The Original Agreement and First Amendment had conflicting and unclear provisions regarding the term of the Agreement and compensation. The following sections are at issue:

- Section 3.4 [Term] of the Original Agreement indicated the term shall "commence upon the effective date of the Agreement and continue in full force and effect until the completion of services, as provided in the Schedule of Performance (Exhibit "E"). Exhibit "A" of the Original Agreement provided a more definite term stating that the Contractor will be awarded a one (1) year contract with two (2) optional one-year extensions as for the management of CDBG and NSP grant funding program implementation and administration.
- Section 3.1 [Maximum Contract Amount] of the First Amendment distributed the Maximum Contract Amount of \$271,950.00 as follows: \$115,000.00 for continued grant writing services for the 2020-2021 fiscal year and \$41,950.00 for preparation and submission of the Five Year Consolidated Plan (2020-2025), Analysis of Impediments (2020-2025) and One-Year Action Plan (2020-2021). The amount assigned for continued grant writing services for the 2020-2021 fiscal year should have been \$230,000.00, not \$115,000.00.
- The Original Agreement and the First Amendment reference Exhibit "E" [Schedule of Performance]. This Exhibit "E" document has not been included as an attachment in either the Original Agreement or First Amendment.

In order to clarify and correct the terms of the Original Agreement and First Amendment, Staff has drafted an Amended and Restated Agreement to embody the complete and accurate understanding of the City and LDM.

### **ANALYSIS/DISCUSSION**

Through this Amended and Restated Agreement, staff is seeking City Council approval of an increase in the total contract amount of \$62,000 and a final termination date of June 30, 2021 while the City goes through the Request for Proposal (RFP) process for CDBG Grant Consultant Services. Upon approval, the Amended and Restated Agreement's new Maximum Contract Amount will be \$333,950.00.

The additional \$62,000.00 shall be distributed as follows: \$14,000 to provide support services for the solicitation, assessment, and implementation of the HOME Improvement program and \$48,000 to continue implementation and administration consulting services for the CDBG and NSP program and cover the costs rendered through the end of fiscal year 2020-2021 (June 30, 2021).

The request for a term extension is based on satisfactory performance and current knowledge of the City's 5-Year Consolidated and One-Year Action Plans for CDBG and other HUD related city programs over the past two years. With over 34 years of experience administering CDBG programs, LDM Associates continues to provide outstanding CDBG consulting services to the City. LDM is extremely familiar with complex HUD regulations and has adequately and competently performed all Housing and Urban Development (HUD) audits performed since the firm has been involved with the City's CDBG programs.

The additional services are within the expertise of LDM Associates, who are familiar with and have provided consulting services for this program. Based on the scope of work and rate schedule (see Exhibit A), LDM Associates, Inc. proposes to bill on a time and material basis. The additional work identified for completion by LDM Associates, Inc. include the contract extension to June 30, 2021 as CDBG Consultant consists of the following:

### **CDBG Grant and Neighborhood Stabilization (NSP) Programs 2020-2021 (Consulting Services Contract Extension to June 30, 2021)**

The Professional Services Agreement with LDM Associates, Inc. outlines the Scope of Work for providing CDBG and NSP Program implementation and administration as required to comply with all HUD regulations and deadlines for all approved CDBG projects, along with the recommendations on any amendments to the Annual Action and the 5-Year consolidated Plans.

### **One-Year Action Plan (20201-2022)**

As a prerequisite to receiving its annual CDBG allocation, the City is required to submit a One-Year Action Plan. As a recipient of CDBG funds, the City will prepare a One-Year Action Plan Draft (2021-2022) to appropriate CDBG funds to specific programs and projects for the 2021-2022 fiscal year. The City anticipates receiving \$1,248,066 in federal community development funds for the 2021-2022 Program Year. It is anticipated that the City will have prior year savings from CDBG funds that remain from completed and/or closed out project and activities. As a result, the City's CDBG total may increase available CDBG funds to commit to new eligible projects. The Action Plan delineates

Rialto's plan for the use of its 2021-2022 CDBG funds. It describes the resources available for program implementation and activities to be undertaken during the Program Year. The One-Year Action Plan for Program Year 2021-2022 will provide recommendations for funding by the City Council. The recommendations are separated into three categories 1) Administration 2) Public Services and 3) Capital Improvement Projects.

### **Home Improvement Support Services Program**

As a recipient of CDBG funds, the City will be conducting the Home Program to provide loan assistance to approved homeowners to perform authorized rehabilitation of eligible housing units in accordance with requirements of CDBG and CalHOME programs. The services provided include, but are not limited to, the following: program marketing, intake/assessment of eligibility of applications, solicitation and selection of contractors, rehabilitation project oversight, technical assistance to selected contractors, general administration and status reporting.

### **ENVIRONMENTAL IMPACT**

The request is not a Project as defined by Section 15378 of the California Environmental Quality Act (CEQA).

### **GENERAL PLAN CONSISTENCY**

Policy 2-27.2: Plan for and designate adequate funding to maintain new and existing parks and facilities.

### **LEGAL REVIEW**

The City Attorney has reviewed and supports this staff report.

### **FINANCIAL IMPACT**

#### **Operating Budget Impact**

The financial impact associated with the approval of this item is \$62,000. Funding (100% Grant Funded) in the amount of \$157,000 for the Professional Services Agreement for administration is budgeted and available in fiscal year 2020-2021 from CDBG Account No. 234-500-1850-2011.

#### **Capital Improvement Budget Impact**

There is no impact to the Capital Improvement Budget.

#### **Licensing**

Prior to execution of the amendment to the Professional Service Agreement, the vendor shall have a current business license with the City of Rialto.

### **RECOMMENDATION**

Staff recommends City Council approve the Amended and Restated Professional Services Agreement (PSA) with LDM Associates, Inc. to continue Community Development Block Grant (CDBG) and Neighborhood Stabilization Program (NSP) consulting services and provide additional services for the HOME Program increasing the contract by \$62,000 for a total not-to-exceed contract amount of \$333,950 and extending the term to June 30, 2021.