



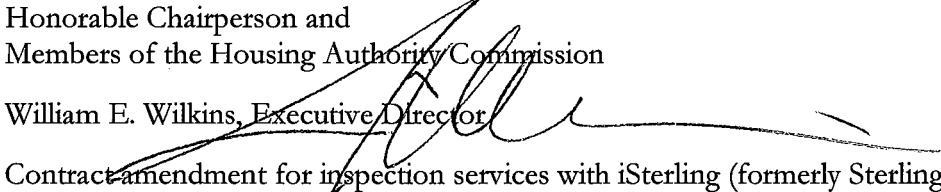
## Berkeley Housing Authority

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Office of the Executive Director

Item 6D  
NEW BUSINESS  
March 8, 2018

To: Honorable Chairperson and  
Members of the Housing Authority Commission

From: William E. Wilkins, Executive Director 

Subject: Contract amendment for inspection services with iSterling (formerly Sterling Inspections Co.)

### RECOMMENDATION

Approve the second year contract renewal option with iSterling, extending the term of the Housing Quality Standards (HQS) Inspection Services contract to four (4) years, through June 30, 2019, for an additional amount of \$76,000 bringing the total 4-year contract amount to \$308,200.

### BACKGROUND

Contracting out initial, annual, and special Housing Quality Standards inspections allows BHA to incur costs on an as needed basis, while giving us access to highly skilled individuals.

Staff complied with all applicable HUD procurement regulations in issuing an RFP for inspections services in 2015, and the Board approved an initial a two year contract and first one year contract renewal, which ends June 30, 2018. The action taken tonight will allow us to continue receiving service from our current vendor, which has met our expectations to date, and for the past 11 years. Note: Sterling Inspections Co. recently informed BHA of it's name change to iSterling. We will be meeting with iSterling next week to discuss what other changes, if any, iSterling has planned in terms of services offered to it's customers. Staff is working on ensuring that the contracts and all required documentation are in line with the name change.

### STATUS

iSterling/Sterling Inspection Company continues to employ highly skilled staff on this contract. The individual inspectors have established a positive relationship with our assisted households, and garnered the respect of many landlords. Sterling has been very flexible, and accommodating with regard to the needs of our operations.

A fee is assessed for each inspection performed. There is no management fee associated with this contract, however there is a minimum number of inspections per week. In the past six years the per-inspection fee has been increased only once. Because of the reduced number of units currently leased up in the Section 8 program, we have modified the inspector's schedule accordingly, and he is present in the field 2 fewer days per month than previously. Additionally, inspections are not scheduled for Fridays.

Lastly, BHA has officially moved to biennial inspections, meaning for those units that pass inspection on the first attempt in 2018, there will not be an inspection in 2019, but rather 2020. This will provide for inspections cost savings in 2019, when there will be fewer inspections to conduct. The ability to request a special inspection at any time by either landlords or tenants remains, regardless of when the most recent passed inspection occurred.

The initial term of the two year contract expired at the end of June 2017. The fiscal year 2017-18, was the first optional year, with one more option to extend for a fourth year beyond that. Staff recommends the \$76,000 increase for the fourth year of the contract for continuity of service and budget savings.

#### FINANCIAL IMPLICATIONS

\$76,843 is included in the inspection budget for Fiscal Years (FY) 2018-19.

#### CONTACT PERSON

William E. Wilkins, Executive Director, 981-5471

Jesy Yturralde, Finance Manager, 981-5488

Attachment: Resolution

BERKELEY HOUSING AUTHORITY  
RESOLUTION NO. 18-\_\_\_

ADOPT A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXERCISE THE SECOND ONE-YEAR RENEWAL OPTION AND ENTER INTO YEAR 4 OF THE INITIAL CONTRACT PERIOD WITH ISTERLING/STERLING INSPECTIONS CO., INC, INCREASING THE SPENDING AUTHORITY BY \$76,000 FOR AN AMOUNT NOT TO EXCEED \$308,200 THROUGH JUNE 30, 2019.

WHEREAS, the Berkeley Housing Authority is required to perform an inspection of every assisted unit at least once each year, more frequently if necessary, to ensure the unit meets minimum standards and provides a safe and decent living environment for the assisted family; and

WHEREAS, the existing contract for inspection services expires on June 30, 2018; and

WHEREAS, iSterling/Sterling Inspections Co., Inc. has demonstrated its willingness to partner with BHA by providing quality service, ramping up inspection capacity as needed to ensure BHA's highest possible rating under SEMAP, reducing their per unit inspection fee; and

WHEREAS, iSterling/Sterling Inspections Co., Inc. provides reliable and high quality customer service to BHA staff and participating landlords, and a willingness to be accommodating and flexible;

NOW THEREFORE, BE IT RESOLVED, that the Executive Director is authorized to exercise the second one-year renewal option and enter into Year 4 of the contract period with iSterling/Sterling Inspections Co. Inc., for Housing Quality Standard inspections, increasing the spending authority by \$76,000, for a total not to exceed \$308,200 through June 30, 2019.

The foregoing Resolution was adopted by the Board of the Berkeley Housing Authority on March 8, 2018 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Attest: \_\_\_\_\_  
William E. Wilkins, Secretary