



Berkeley Housing Authority

1936 University Ave, Suite 150 Berkeley, CA 94704
Telephone: (510) 981 5470 Fax: (510) 981 5480

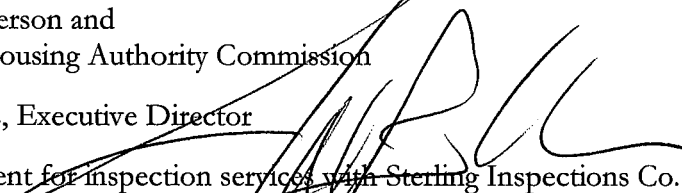
Office of the Executive Director

Item 7E
NEW BUSINESS
May 11, 2017

To: Honorable Chairperson and
Members of the Housing Authority Commission

From: William E. Wilkins, Executive Director

Subject: Contract amendment for inspection services with Sterling Inspections Co.



RECOMMENDATION

Approve a one year contract renewal option with Sterling Inspections Company extending the term of the Housing Quality Standards (HQS) Inspection Services contract to three (3) years, for an additional amount of \$55,000 bringing the total 3-year contract amount to \$232,200.

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 a two year contract, which ends June 30, 2017. 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 10 years.

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 fee (equal to an inspection) has been increased only once.

The initial term of the two year contract expires at the end of June. The coming fiscal year 2017-18, will be the first optional year, with one more option to extend for a fourth year beyond that. Staff recommends the \$55,000 increase for the third year of the contract for continuity of service and budget savings.

FINANCIAL IMPLICATIONS

\$79,090 is included in the inspection budget for Fiscal Years (FY) 2017-18.

CONTACT PERSON

William E. Wilkins, Executive Director, 981-5471
Jesy Yturalde, Finance Manager, 981-5488

Attachment: Resolution

BERKELEY HOUSING AUTHORITY
RESOLUTION NO. 17-___

ADOPT A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXERCISE THE FIRST ONE-YEAR RENEWAL OPTION AND ENTER INTO YEAR 3 OF THE INITIAL CONTRACT PERIOD WITH STERLING INSPECTIONS CO., INC, INCREASING THE SPENDING AUTHORITY BY \$55,000 FOR AN AMOUNT NOT TO EXCEED \$232,200 THROUGH JUNE 30, 2018.

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, 2017; and

WHEREAS, 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, 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 first one-year renewal option and enter into Year 3 of the contract period with Sterling Inspections Co. Inc., for Housing Quality Standard inspections, increasing the spending authority by \$55,000, for a total not to exceed \$232,000 through June 30, 2018.

The foregoing Resolution was adopted by the Board of the Berkeley Housing Authority on May 11, 2017 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Attest: _____
William E. Wilkins, Secretary