



Board Report

File #: 16-1325, Version: 1

- a. Approve Amendment No. 4 to the non-standard agreement with Michael Baker International, Inc., adding \$30,000 for a maximum contract amount of \$130,000, for continued assistance to the Economic Development Department with administration of housing programs;
- b. Approve, retroactively, non-standard indemnification provisions as recommended by the Director of the Economic Development Department;
- c. Authorize the Director of the Economic Development Department or the Contracts/Purchasing Officer to execute Amendment No. 4; and
- d. Authorize the Director of the Economic Development Department or the Contracts/Purchasing Officer to execute up to two (2) additional amendments to the agreement, subject to County Counsel review, where each amendment adds a maximum of \$25,000 to the contract amount, extends the contract period by a maximum of 90 additional days, and does not significantly alter the scope of work.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve Amendment No. 4 to the non-standard agreement with Michael Baker International, Inc., adding \$30,000 for a maximum contract amount of \$130,000, for continued assistance to the Economic Development Department with administration of housing programs;
- b. Approve, retroactively, non-standard indemnification provisions as recommended by the Director of the Economic Development Department;
- c. Authorize the Director of the Economic Development Department or the Contracts/Purchasing Officer to execute Amendment No. 4; and
- d. Authorize the Director of Economic Development Department or the Contract/Purchasing Officer to execute up to two (2) additional amendments to the agreement, subject to County Counsel review, where each amendment adds a maximum of \$25,000 to the contract amount, extends the contract period by a maximum of 90 additional days, and does not significantly alter the scope of work.

SUMMARY:

The original contract with Pacific Municipal Consultants (PMC) for assisting the Economic Development Department Housing Division has been in place since January 2, 2015. PMC assisted with administration of the County's affordable housing programs including those funded through the state Community Development Block Grant program, the state Housing Community Development program, and the federal Housing and Urban Development program. On July 1, 2015, PMC was acquired and merged with the current vendor, Michael Baker International, Inc. (MBI), which thereafter assumed contractual responsibilities for the PMC agreement with the County.

As explained below, the original contract amount and Scope of Work have been amended several times to enable the Economic Development Department to continue to operate housing programs for the benefit of the public. For example, a temporary staff shortage required amendment to the Scope of Work to add assistance with administration of the County's Inclusionary Housing program. Currently, the Housing Program Manager position and another housing position are vacant, necessitating additional assistance and an increase in the contract amount from \$100,000 to \$130,000 through the contract term ending June 30, 2017.

DISCUSSION:

The January 2, 2015 Agreement with PMC/MBI has been amended three times to enable the Economic Development Department as follows:

Amendment No. 1 (May 15, 2015):

Four months into the contract, it was realized the amount of work to be completed exceeded the original estimates. The Amendment increased the amount of the contract by \$30,000, from \$10,000 to a total maximum amount of \$40,000. All other terms and conditions remained the same.

Amendment No. 2 (December 8, 2015):

The temporary disability of an Economic Development department staff member required expanding the Scope of Work to include assistance with administration of the County's Inclusionary Housing program. To cover the additional responsibilities, the amount of the contract was increased by \$40,000, for a total maximum amount of \$80,000. All other terms and conditions remained the same.

Amendment No. 3 (June 10, 2016):

The retirement of the Housing Program Manager in June 2016 required an amendment to enable continued assistance with administration of the County's housing programs. This amendment increased the contract amount by \$20,000, for a total maximum amount of \$100,000. All other terms and conditions remained the same.

Proposed Amendment No. 4 and Authority for Up to Two Additional Amendments:

The Housing Division of the Economic Development Department currently has two vacant management positions. To temporarily mitigate staffing issues, the Department is requesting authorization to increase the contract amount by \$30,000, for a total maximum amount of \$130,000. The Economic Development Department anticipates filling at least one vacant housing position by January 2017. Recruitment for the position of Housing Program Manager is ongoing.

The Board is also requested to authorize a maximum of two additional amendments that increase the amount of the contract by a maximum of \$25,000 per amendment and that extend the contract term by a maximum of 90 days per amendment. It is proposed that each amendment will be subject to prior County Counsel review and will not significantly alter the scope of work. The authority to amend the contract will ensure that the Economic Development Department has the flexibility to avail itself of administration services in the event that staffing shortages are not resolved as anticipated, are delayed, or that some other exigency is presented. This authority to amend the contract and extend the contract term will enable the Economic Development Department to seamlessly operate County housing programs for the benefit of the public.

The Board is also requested to approve, retroactively non-standard indemnification provision in the original Agreement. Although non-standard, both County Counsel and Risk Management approve these alternate indemnification provisions as sufficiently protective of County interests.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved the Amendment as to form. County Counsel and Risk Management have reviewed and approved the non-standard indemnification provisions in the Agreement.

FINANCING:

There is no fiscal impact on the General Fund as a result of this recommendation. Funds for this Amendment are already included in the Economic Development Budget, through salary savings arising from position

vacancies within the Department.

Prepared by: Gretchen Markley, Administrative Services Assistant, Ext. 5388

Approved by: David L. Spaur, Economic Development Director, CEcD, EDFP

Attachments:

Michael Baker International Agreement

Amendment #4 to Michael Baker Agreement