

HOUSING AUTHORITY of the COUNTY OF CONTRA COSTA

CALENDAR FOR THE BOARD OF COMMISSIONERS

BOARD CHAMBERS ROOM 107, COUNTY ADMINISTRATION BUILDING
651 PINE STREET
MARTINEZ, CALIFORNIA 94553-1229

FEDERAL D. GLOVER, CHAIR
KAREN MITCHOFF, VICE CHAIR
JOHN GIOIA
CANDACE ANDERSEN
DIANE BURGIS
FAY NATHANIEL
JANNEL GEORGE-ODEN

JOSEPH VILLARREAL, EXECUTIVE DIRECTOR, (925) 957-8000

PERSONS WHO WISH TO ADDRESS THE BOARD DURING PUBLIC COMMENT OR WITH RESPECT TO AN ITEM THAT IS ON THE AGENDA, WILL BE LIMITED TO TWO (2) MINUTES.

The Board Chair may reduce the amount of time allotted per speaker at the beginning of each item or public comment period depending on the number of speakers and the business of the day.
Your patience is appreciated.

A closed session may be called at the discretion of the Board Chair.

Staff reports related to open session items on the agenda are also accessible on line at www.co.contra-costa.ca.us.

ANNOTATED AGENDA & MINUTES January 17, 2017

1:30 P.M. Convene and announce adjournment to Closed Session in Room 101.

Closed Session

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: Executive Director

Call to order.

CONSIDER CONSENT ITEMS: (Items listed as C.1 through C.4 on the following agenda) - Items are subject to removal from the Consent Calendar by request from any Commissioner or on request for discussion by a member of the public. Items removed from the Consent Calendar will be considered with the Discussion Items.

DISCUSSION ITEMS

D. 1 CONSIDER Consent Items previously removed.

There were no items removed from consent.

D. 2 PUBLIC COMMENT (2 Minutes/Speaker)

There were no requests to speak.

ADJOURN

Adjourned today's meeting at 2:05 p.m.

CONSENT ITEMS:

C.1 ACCEPT the 2nd Quarter (Unaudited) Budget Report for the period ending 9/30/2016.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE
Commissioner Fay Nathaniel	ABSENT
Commissioner Jannel George-Oden	AYE

C.2 RATIFY the Housing Choice Voucher payment standards for the Housing Authority of the County of Contra Costa effective October 1, 2016.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE
Commissioner Fay Nathaniel	ABSENT
Commissioner Jannel George-Oden	AYE

C.3 APPROVE and AUTHORIZE the Executive Director of the Housing Authority, or designee, to execute a contract with HD Supply Facilities Maintenance in an amount not to exceed \$200,000 to provide facilities maintenance, repair, operating and industrial materials and related services through July 31, 2017.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE
Commissioner Fay Nathaniel	ABSENT
Commissioner Jannel George-Oden	AYE

- C.4 APPROVE and AUTHORIZE the Executive Director to execute a contract with Vacant Property Security in an amount not to exceed \$400,000 to provide secure entry systems for vacant public housing units/buildings for the period January 18, 2017 through July 10, 2017, including four annual options to renew effective July 10th of each year through July 11, 2021 with a total payment limit of \$3,847,309.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE
Commissioner Fay Nathaniel	ABSENT
Commissioner Jannel George-Oden	AYE

GENERAL INFORMATION

Persons who wish to address the Board of Commissioners should complete the form provided for that purpose and furnish a copy of any written statement to the Clerk.

All matters listed under CONSENT ITEMS are considered by the Board of Commissioners to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Board or a member of the public prior to the time the Commission votes on the motion to adopt.

Persons who wish to speak on matters set for PUBLIC HEARINGS will be heard when the Chair calls for comments from those persons who are in support thereof or in opposition thereto. After persons have spoken, the hearing is closed and the matter is subject to discussion and action by the Board.

Comments on matters listed on the agenda or otherwise within the purview of the Board of Commissioners can be submitted to the office of the Clerk of the Board via mail: Board of Commissioners, 651 Pine Street Room 106, Martinez, CA 94553; by fax: 925-335-1913; or via the

County's web page: www.co.contracosta.ca.us, by clicking "Submit Public Comment" (the last bullet point in the left column under the title "Board of Commissioners.")

The County will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Clerk of the Board at least 24 hours before the meeting, at (925) 335-1900; TDD (925) 335-1915. An assistive listening device is available from the Clerk, Room 106. Copies of taped recordings of all or portions of a Board meeting may be purchased from the Clerk of the Board. Please telephone the Office of the Clerk of the Board, (925) 335-1900, to make the necessary arrangements.

Applications for personal subscriptions to the monthly Board Agenda may be obtained by calling the Office of the Clerk of the Board, (925) 335-1900. The monthly agenda may also be viewed on the County's internet Web Page: www.co.contra-costa.ca.us

The Closed session agenda is available each month upon request from the Office of the Clerk of the Board, 651 Pine Street, Room 106, Martinez, California, and may also be viewed on the County's Web Page.

AGENDA DEADLINE: Thursday, 12 noon, 12 days before the Tuesday Board meetings.



Contra
Costa
County

To: Contra Costa County Housing Authority Board of Commissioners

From: Joseph Villarreal, Housing Authority

Date: January 17, 2017

Subject: FY 2016-2017 2nd QUARTER BUDGET REPORT

RECOMMENDATIONS

ACCEPT the 2nd Quarter (Unaudited) Budget Report for the period ending 9/30/2016.

BACKGROUND

This report is intended to provide the Board of Commissioners with an overview of the financial position of the Housing Authority of the County of Contra Costa (HACCC) for the 2nd quarter period ending 9/30/2016. The report begins with a summary of HACCC's overall fiscal standing at the end of the quarter. The overall numbers are then broken down by individual funds. Each fund overview includes a brief program summary and an explanation of the variance between budgeted and actual performance.

AGENCY OVERVIEW: Budget Report

Changes in HACCC's overall budget position for the first quarter are shown in the chart below. Activity in Section 8 Voucher and Housing Certificate programs had the most significant impact on HACCC's budget.

Projected revenue increased by \$1,805,437 is a result of utilization growth in the Section 8 Voucher Program and the Housing Certificate Shelter Plus Care program. The growth in the Section 8 Vouchers program is a result of new project-based units being brought online and new clients being called from the wait list. The growth in the Shelter Plus Care Program is a result of increased utilization. Expenditures are projected to increase by \$1,533,812. The increase in projected expenditures is a combination of increased client subsidy of \$ 2,266,667 and reduced operating cost of \$732,855 in the Public Housing Program and State and Local Programs.

Action of Board On: 01/17/2017 APPROVED AS RECOMMENDED OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
Candace Andersen,
Commissioner
Diane Burgis, Commissioner
Karen Mitchoff,
Commissioner
Federal D. Glover,
Commissioner
Jannel George-Oden,
Commissioner

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 17, 2017

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

ABSENT: Fay Nathaniel, Commissioner

Contact: 925-957-8028

cc:

BACKGROUND (CONTD)

HACC Agency Summary	Annual Budget	2nd Quarter Actual 9/30/16	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 109,724,315	\$ 56,667,594	\$ 54,862,158	\$ 111,529,752	\$ 1,805,437
Expenditures	<u>\$ 108,700,113</u>	<u>\$ 55,883,869</u>	<u>\$ 54,350,057</u>	<u>\$ 110,233,926</u>	\$(1,533,813)
	\$ 1,024,202	\$ 783,725	\$ 512,101	\$ 1,295,826	

The net change to reserve totals for the end of the second quarter was a gain of \$783,725. The net gain was a result of an increase to restricted reserves in the amount of \$271,145 and unrestricted reserve of \$512,579 as shown in the summary below.

Analysis of Agency Reserves	Beginning Balance 4/1/16 (Unaudited)	2nd Quarter ending 9/30/16 (Unaudited)	Reserve Balance period ending 9/30/16 (Unaudited)
Total Reserves	\$ 15,365,819	\$ 783,725	\$ 16,149,544
<u>Restricted Reserves</u>			
Housing Choice Vouchers	\$ 5,223,994	\$ 176,244	\$ 5,400,238
Public Housing & Cap. Funds	\$ -0-	\$ -0-	\$ -0-
State & Local Programs	\$ 1,884,156	\$ 94,902	\$ 1,979,058
Housing Certificates Programs	\$ -0-	\$ -0-	\$ -0-
Total Restricted Reserves	\$ 7,108,150	\$ 271,146	\$ 7,379,296
<u>Unrestricted Reserves</u>			
Housing Choice Vouchers	\$ 4,063,501	\$ 117,391	\$ 4,180,892
Public Housing & Cap. Funds	\$ 1,099,548	\$ 298,849	\$ 1,398,397
State & Local Programs	\$ 3,089,730	\$ 101,229	\$ 3,190,959*
Housing Certificates Programs	<u>\$ 4,890</u>	<u>\$ (4,890)</u>	<u>\$ -0-</u>
Total Unrestricted Reserves	\$ 8,257,669	\$ 512,579	\$ 8,770,248

* Does not include unfunded pension liability of \$10.8 million.

As a reminder, almost all reserves are restricted for use within each program. The designation of restricted or unrestricted reserves merely indicates that the funds are obligated for special use within the program (restricted) or that they can be used for any purpose tied to the program (unrestricted). The only reserves that can be used freely are unrestricted reserves within the State and Local Programs that are not tied to the tax credit properties. These reserves can be used to support any of HACC's programs.

FUNDS OVERVIEW:

Housing Choice Vouchers

Program Summary - The HCV program provides assistance to families in the private rental market. HACC qualifies families for the program based on income. These families find a home in the private rental market and HACC provides them with a subsidy via a HAP contract with the property owner. HAP is paid by HACC directly to the owner. Through its HCV program, HACC is authorized to provide affordable housing assistance to a maximum of 6,910 families. However, prior to this fiscal year funding constraints limited program utilization to 6,300 families.

Summary of Difference Between Budgeted and Quarterly-End Estimate:

Revenue –Projected revenue increase of \$1,478,333 is a direct result of increase in utilization and funding. HUD increased the funding levels this calendar year (2016) by 6.1% or from 6,393 fundable units to 6,783. This will likely led to some issue's of under utilization due to the tight rental market, given the Authority will now only have less than six months to lease up.

Expenditures-Projected increase of expenditures of \$1,902,517 is a result of increased utilization and operating costs. HAP expenditures were increased during the period by \$1,743,937, and operating cost increased by \$158,580.

Housing Choice Vouchers	Annual Budget	2nd Quarter Actual 9/30/16 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 89,735,463	\$ 46,346,064	\$ 44,867,731	\$ 91,213,795	\$ 1,478,333
Expenditures	\$ 88,299,824	\$ 46,052,429	\$ 44,149,912	\$ 90,202,341	\$ (1,902,517)
	\$ 1,435,639	\$ 293,635	\$ 717,819	\$ 1,011,454	

Analysis of Program Reserves:

Housing Choice Vouchers	Beginning Balance 4/1/16 (Unaudited)	2nd Quarter 9/30/16 (Unaudited)	Reserve Balance period ending 9/30/16 (Unaudited)	Public Housing Operating and Capital Funds
Restricted Reserves	\$ 5,223,994	\$ 176,244	\$ 5,400,238	Program Summary - HACCC owns and manages 1,179 public housing units at 16 different sites
Unrestricted Reserves	\$ 4,063,501	\$ 117,391	\$ 4,180,892	
Total Reserves	\$ 9,287,495	\$ 293,635	\$ 9,581,130	

throughout the County. Operating funds for these properties come from tenant rents as well as an operating subsidy received from HUD that is designed to cover the gap between rents collected from the low-income tenants and annual operating expenses. HUD allocates the Capital Fund annually via formula to approximately 3,200 housing authorities. Capital Fund grants may be used for development, financing, modernization, and management improvements within public housing.

Summary of Difference Between Budgeted and Quarterly-End Estimate:

Revenue – The projected reduction in revenue of \$288,173 was primarily related to capital funds not obligated to date.

Expenditures - The projected reduction in expenditures of \$698,741 is a result of unobligated capital funds and insurance reimbursement of \$552,919 and operational savings of \$145,822.

Public Housing Operating and Capital Fund	Annual Budget	1st Quarter Actual 9/30/16 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 10,934,181	\$ 5,178,917	\$ 5,467,090	\$ 10,646,007	\$ (288,173)
Expenditures	\$ 11,157,618	\$ 4,880,068	\$ 5,578,809	\$ 10,458,877	\$ 698,741
	\$ (223,437)	\$ 298,849	\$ (111,719)	\$ 187,130	

Analysis of Program Reserves:

Public Housing & Capital Fund	Beginning Balance 4/1/16 (Unaudited)	2nd Quarter 9/30/16 (Unaudited)	Reserve Balance period ending 9/30/16 (Unaudited)
Restricted Reserves	\$ -0-	\$ -0-	\$ -0-
Unrestricted Reserves	\$ 1,099,548	\$ 298,849	\$ 1,398,397
Total Reserves	\$ 1,099,548	\$ 298,849	\$ 1,398,397

State and Local Programs

Program Summary - HACCC administers a variety of programs and activities that are either not funded by HUD or that involve non-restricted HUD funds. Currently, HACCC is the managing general partner for two tax credit projects (DeAnza Gardens & Casa Del Rio) and also has a contract with the City of Antioch to run their rental rehabilitation program. HACCC receives management fees for administering the Public Housing and HCV programs under HUD's asset-management model. In addition, the State and Local Program manages the employee pension benefit program.

Summary of Difference between Budgeted and Quarterly-End Estimate:

Revenue –The projected increase in revenue of \$254,093 was primarily a result of increase in management fees earned (\$190,782) due to increased utilization in the voucher. Additionally, the authority qualified for asset management fees (\$38,000) due to the authority generating excess cash in the public housing program.

Expenditures - The \$34,113 variance is a result of reduced overhead costs.

State & Local Programs	Annual Budget	2nd Quarter Actual 9/30/16 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 5,372,185	\$ 2,940,185	\$ 2,686,092	\$ 5,626,277	\$ 254,093
Expenditures	<u>\$ 5,556,335</u>	<u>\$ 2,744,054</u>	<u>\$ 2,778,167</u>	\$ 5,522,221	\$ 34,113
	\$ (184,150)	\$ 196,131	\$ (92,075)	\$ 104,056	

Analysis of Reserves:

State & Local Programs	Beginning Balance 4/1/16 (Unaudited)	2nd Quarter 9/30/16 (Unaudited)	Reserve Balance Period ending 9/30/16 (Unaudited)
Restricted Reserves	\$ 1,884,156	\$ 94,902	\$ 1,979,058
Unrestricted Reserves	<u>\$ 3,089,730</u>	<u>\$ 101,229</u>	<u>\$ 3,190,959*</u>
Total Reserves	\$ 4,973,886	\$ 196,131	\$ 5,170,017

* does not include the unfunded pension liability of 10.8 million.

Housing Certificate Programs

Program Summary - HACCC administers two separate Housing Certificate Programs; Shelter Plus Care and Moderate Rehabilitation (Mod Rehab). The Shelter-Plus Care Program provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program. HACCC assists approximately 285 clients under this program. The Mod Rehab program was designed in 1978 as an expansion of the rental certificate program. Mod Rehab was designed to provide low-cost loans for the rehabilitation of rental units in an effort to upgrade and preserve the nation's housing stock. In return, the owner agreed to provide long-term affordable housing for low income families. The program was repealed in 1991 and no new projects are authorized for development. HACCC administers 28 Mod Rehab units.

Summary of Difference Between Budgeted and Quarter-End Estimate:

Revenue & Expenditure -The projected increase of \$361,185 is an increase to revenue and an increase HAP expense. This amount is a result of increased funding from HUD to the certificate programs. The \$2,965 increase (difference between revenue increase of \$361,185 and expenditures of \$-364,150) in expenditure is a result of higher operations costs.

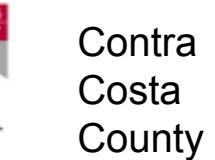
Housing Certificate Programs	Annual Budget	2nd Quarter Actual 9/30/16 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 3,682,487	\$ 2,202,428	\$ 1,841,243	\$ 4,043,671	\$ 361,185
Expenditures	<u>\$ 3,686,336</u>	<u>\$ 2,207,318</u>	<u>\$ 1,843,168</u>	<u>\$ 4,050,486</u>	\$ (364,150)
	\$ (3,849)	\$ (4,890)	\$ (1,924)	\$ (6,814)	

Analysis of Reserves:

Housing Certificate Programs	Beginning Balance 4/1/16 (Unaudited)	2nd Quarter 9/30/16 (Unaudited)	Reserve Balance period ending 9/30/16 (Unaudited)
Restricted Reserves	\$ -0-	\$ -0-	\$ -0-

Unrestricted Reserves	\$ 4,890	\$ (4,890)	\$ -0-
Total Reserves	\$ 4,890	\$ (4,890)	\$ -0-

FISCAL IMPACT None. Information item only. CONSEQUENCE OF NEGATIVE ACTION None. Information item only. CLERK'S ADDENDUM



To: Contra Costa County Housing Authority Board of Commissioners

From: Joseph Villarreal, Housing Authority

Date: January 17, 2017

Subject: HOUSING CHOICE VOUCHER PAYMENT STANDARDS EFFECTIVE OCTOBER 1, 2016

RECOMMENDATIONS

RATIFY the Housing Choice Voucher payment standards for the Housing Authority of the County of Contra Costa effective October 1, 2016.

BACKGROUND

Payment standards are used to calculate the housing assistance payment (HAP), or subsidy, that a housing authority (HA) will pay on behalf of families leasing units under the program. Each HA must establish a schedule of payment standard amounts by bedroom size. The range of possible payment standard amounts is based on HUD's published fair market rent (FMR) schedule for the FMR area within which the HA has jurisdiction. HACCC's payment standards are based on the FMRs for the Oakland-Fremont, CA Metro area which includes all of Alameda and Contra Costa Counties. FMRs are based on the 40th percentile of rents charged for standard housing in the FMR area. This is the dollar amount below which 40 percent of the standard-quality rental housing units are rented. HAs may set their payment standards amounts from 90% to 110% of the published FMRs without HUD approval. Payment standards can be set higher or lower than this basic range in response to market conditions with HUD approval.

The level at which the payment standards are set directly affects the amount of subsidy a family will receive, and the amount of rent paid by program participants. If the payment standard amount is too low:

-

Action of Board On: 01/17/2017 APPROVED AS RECOMMENDED OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
Candace Andersen,
Commissioner
Diane Burgis, Commissioner
Karen Mitchoff,
Commissioner
Federal D. Glover,
Commissioner
Jannel George-Oden,
Commissioner

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 17, 2017

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

ABSENT: Fay Nathaniel, Commissioner

Contact: 925-957-8028

cc:

BACKGROUND (CONTD)

Families may need to pay more for rent than they can afford; or

- Families may have a hard time finding acceptable units or units in more desirable areas; or
- Housing choices will be narrowed and the HA’s efforts to affirmatively further fair housing will be undermined.

If the payment standards amounts are too high, owners may be encouraged to ask for higher than reasonable rents.

A comparison of the FMRs for the previous federal fiscal year (FFY) and the FMRs for the upcoming FFY is shown below.

Bedrooms	0	1	2	3	4	5	6	7
FFY 2016 FMRs	\$1,380	\$1,663	\$2,103	\$2,932	\$3,268	\$3,758	\$4,248	\$4,739
FFY 2017 FMRs	\$1,435	\$1,723	\$2,173	\$3,017	\$3,477	\$3,999	\$4,520	\$5,042
Percent Change	4%	3.6%	3.33%	2.9%	6.4%	6.4%	6.4%	6.4%

As first approved by the Board on May 12, 2015, HACCC's payment standards were split into two different amounts. Currently, one payment standard is used for all cities located in East County and a second for the rest of the cities in HACCC's jurisdiction. This was done to give families greater access to housing opportunities in low poverty neighborhoods throughout the County and also in an effort to minimize voucher concentration in East County while stemming the loss of vouchers in all other areas of HACCC's jurisdiction.

The proposed payment standards are shown below. They are based on the new HUD-approved FMRs and the leasing patterns of HACCC's clients. The proposed payment standards for the East County cities of Antioch, Bay Point, Bethel Island, Brentwood, Byron, Discovery Bay, Knightsen and Oakley are set at 100% of the newly revised FMRs. The proposed payment standards for the remaining portions of HACCC's jurisdiction are set at 110% of the new FMRs, the highest level they can be set at without special permission from HUD. The proposed payment standards are as follows:

Bedrooms	0	1	2	3	4	5	6	7
East County - 100%	\$1,435	\$1,723	\$2,173	\$3,017	\$3,477	\$3,999	\$4,520	\$5,042
All Others - 110%	\$1,578	\$1,895	\$2,390	\$3,318	\$3,824	\$4,398	\$4,972	\$5,546

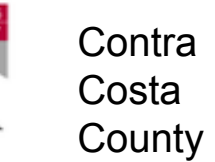
FISCAL IMPACT

Funding for this program is provided by the U.S. Department of Housing and Urban Development (HUD). Funding for the proposed change is provided for in the Housing Authority of the County of Contra Costa's (HACCC) current budget.

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners not ratify the proposed payment standards, then HACCC will not be in compliance with HUD regulations and could be subject to financial sanctions or other penalties.

CLERK'S ADDENDUM



To: Contra Costa County Housing Authority Board of Commissioners

From: Joseph Villarreal, Housing Authority

Date: January 17, 2017

Subject: AGREEMENT WITH HD SUPPLY FACILITIES MAINTENANCE

RECOMMENDATIONS

APPROVE and AUTHORIZE the Executive Director of the Housing Authority, or his designee, to execute a contract with HD Supply Facilities Maintenance in an amount not to exceed \$200,000 to provide facilities maintenance, repair, operating and industrial materials and related services through July 31, 2017.

BACKGROUND

HACCC is in need of a materials provider that can supply a wide variety of tools and supplies needed to operate and maintain its public housing properties and administrative buildings. The vendor must be able to provide these materials either on-demand, or within a short time window. An ongoing contract with one or more providers will help ensure product continuity, fast and easy ordering with trackable invoicing and next-day delivery systems in order to minimize interruptions in HACCC staff workflow.

In soliciting this contract HACCC has made use of its ability to utilize interagency purchasing agreements. HUD requires housing authorities to competitively solicit goods and services. Usually the entire procurement process is conducted in-house by a housing authority looking for a particular product or service. However, HUD permits, and even encourages, housing authorities to procure goods

Action of Board On: 01/17/2017 APPROVED AS RECOMMENDED OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
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ATTESTED: January 17, 2017

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

ABSENT: Fay Nathaniel, Commissioner

Contact: 925-957-8028

cc:

BACKGROUND (CONTD)

and services via cooperative and interagency agreements. Such agreements can greatly simplify and expedite the procurement process since the housing authority does not have to develop specifications, solicit vendors for bids or evaluate those vendors that submit bids. Also, cooperative agreements can offer substantial pricing discounts to housing authorities because vendors can price their products and services more aggressively when they know their customer base is significantly larger than just one agency.

In seeking a maintenance materials vendor, HACCC utilized an interagency purchasing agreement. If approved by the Board, this contract will be awarded through Maricopa County, Arizona's solicitation for Maintenance, Repair, Operating Supplies, Industrial Supplies and Related Services issued on May 6, 2011, and awarded on August 1, 2011. This contract was subsequently renewed and extended through July 31, 2017.

If approved by the Board, the proposed contract will be awarded to HD Supply Facilities Maintenance (HDSFM). HDSFM was awarded a contract via a solicitation issued by Maricopa County, Arizona through the U.S. Communities Government Purchasing Alliance (USCGPA). USCGPA is the leading national cooperative purchasing program, providing world class government procurement resources and solutions to local and state government agencies, school districts (K-12), higher education institutions, and nonprofits looking for the best overall supplier government pricing. The benefits of using USCGPA include a no-fee-or-cost process that, by combining the potential cooperative purchasing power of up to 90,000 public agencies, enables access to the best overall supplier government pricing on quality brands that are backed by the integrity, experience and oversight by public purchasing professionals.

Six bidders responded to Maricopa County's solicitation and HDSFM was selected as the most qualified, responsible bidder. Since the USCGPA award to HD Supply was for a period extended to July 31, 2017, HACCC can utilize this award any time prior to July 31, 2017, to sign its own contract with HDSFM. HD Supply has demonstrated the ability to successfully implement a multi-state cooperative purchasing program with U.S. Communities as part of Contract 05091 for Wholesale Maintenance, Repair and Operating Supplies for over 5 years. They've greatly increased awareness of the USCGPA Program to promote the benefits of using a compliant cooperative contract that has been competitively solicited through a Lead Public Agency, Maricopa County, and continues to promote the contract to best serve the needs of public agencies.

HD Supply is one of the largest industrial distributors in North America. The company provides a broad range of products and value-added services to approximately 500,000 customers with leadership positions in maintenance, repair and operations, water infrastructure and residential and non-residential construction sectors. Their leading businesses include HD Supply Facilities Maintenance, HD Supply Waterworks and HD Supply Construction & Industrial - White Cap. HD Supply has an expansive product offering of approximately 800,000 SKUs of quality, name-brand and proprietary products at competitive prices. With approximately 550 locations across 48 states and six Canadian provinces, their 13,000 associates provide localized, customer-driven services including jobsite delivery, will call or direct-ship options, diversified logistics and innovative solutions that contribute to our customers' success. In California, HDSFM maintains supply warehouses in the City of Industry, Sacramento, San Diego and Hayward. By contracting with HDSFM through USCGPA, customers reap the benefits of savings on the products and services in the proposed contract.

HACCC anticipates that the total cost of the contract will be \$200,000 through July 31, 2017. At that time, if the HDSFM contract with Maricopa County is extended, HACCC will seek to further extend this contract and return to the Board for approval of an extension.

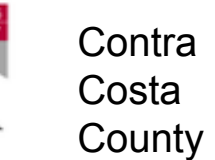
FISCAL IMPACT

The Housing Authority's (HACCC) total cost for this service will not exceed \$200,000. Funding for this contract is included in HACCC's current budget using funds provided by the U. S. Department of Housing and Urban Development.

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners elect not to award the contract to HD Supply Facilities Maintenance, HACCC will be required to go out to bid for maintenance, repair, operating and industrial supplies. This process would be lengthier and likely more expensive than procuring this service via the USCGPA process.

CLERK'S ADDENDUM



To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: January 17, 2017

Subject: AGREEMENT WITH VACANT PROPERTY SECURITY

RECOMMENDATIONS

APPROVE and AUTHORIZE the Executive Director to execute a contract with Vacant Property Security in an amount not to exceed \$400,000 to provide secure entry systems for vacant public housing units/buildings for the period January 18, 2017, to July 10, 2017. The contract will also contain four annual options to renew effective July 10th of each year. If all options to renew are accepted, the total contract would not exceed \$3,847,309 and the final term would commence on July 11, 2020, and end on July 11, 2021.

BACKGROUND

When a public housing unit becomes vacant, there is usually some delay before it is re-leased. Normally this delay is short, but it could be longer, especially if the unit needs extensive repairs or if the new family needs time to move out of their existing unit. Under the RAD program, many units will remain vacant until all RAD approvals are received and they are sold. HACCC uses a mixture of plywood and metal coverings to temporarily seal vacant units. Metal coverings are used for units where break-in is a concern. Through this contract, VPS will rent metal security covers to HACCC as needed.

In soliciting this contract HACCC has made use of its ability to utilize interagency purchasing agreements. HUD requires housing authorities to competitively solicit goods and services. Usually the entire procurement process is conducted in-house by a housing authority looking for a particular product or service. However, HUD permits, and even encourages, housing authorities to procure goods and services via cooperative and interagency agreements. Such agreements can greatly simplify and expedite the procurement process since the housing authority does not have to develop specifications, solicit vendors for bids or evaluate those vendors that submit bids. Also, cooperative agreements can offer substantial pricing discounts to housing authorities because vendors can price their products

Action of Board On: **01/17/2017** APPROVED AS RECOMMENDED OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Diane Burgis, Commissioner
 Karen Mitchoff,
 Commissioner
 Federal D. Glover,
 Commissioner
 Jannel George-Oden,
 Commissioner

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 17, 2017

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

ABSENT: Fay Nathaniel, Commissioner

Contact: 925-957-8028

cc:

and services more aggressively when they know their customer base is significantly larger than just one agency.

HACCC utilized this cooperative procurement process to secure the proposed services of VPS for this contract. The San Francisco Housing Authority (SFHA) competitively procured

BACKGROUND (CONTD)

Vacant Unit Secure Entry Systems (Solicitation #16-050-RFP-0009) on May 5, 2016, and executed a contract with Vacant Property Security (VPS) on July 11, 2016, for one year, and up to 5 years with extensions, as a result of that procurement. VPS has agreed to extend the same terms of that contract to HACCC for our vacant-unit security needs. VPS is an industry leader in securing, maintaining and managing vacant properties. Since 1993, VPS has been trusted by a wide range of customers throughout various industries. VPS' innovative suite of security products and expert services allow customers to protect and preserve their properties against unauthorized access, while maintaining their property's value. With multiple locations throughout the United States, VPS prides itself on delivering the trust and security customers can expect from a large, nationwide company, while offering customized and relevant solutions for each local market.

VPS has a proprietary metal enclosure system that has been successful, to date, in preventing break-ins at some of our developments where their product is already in use from prior years' contracts. The cost of the security units breaks down to \$30 per door per month and \$15 per window per month. This contract is slated to expire when SFHA's does on July 10, 2017. If HACCC is pleased with the service and product provided by VPS, and if SFHA renews their contract (since this is an interagency agreement), then HACCC will extend this contract as well. If HACCC and SFHA renew all four options, the final term would commence on July 11, 2020, and end on July 11, 2021. If the amount spent on this contract will exceed \$3,847,309 at any time prior to July 11, 2021, then staff must bring this contract back for approval by the Board.

FISCAL IMPACT

Funding for this contract is included in the Housing Authority's (HACCC) current budget using funds provided by the U. S. Department of Housing and Urban Development.

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners elect not to approve a contract with VPS to provide secure entry systems for vacant units/buildings, HACCC will be required to go out to bid for vacant unit secure entry systems. This process would be lengthier and likely more expensive than procuring via this cooperative procurement process.

CLERK'S ADDENDUM