

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: May 17, 2022



Contra
Costa
County

Subject: CONTRACT WITH NAN MCKAY ASSOCIATES, INC., FOR HOUSING QUALITY STANDARDS
AND UNIFORM PHYSICAL CONDITION STANDARDS INSPECTIONS

RECOMMENDATIONS

APPROVE and AUTHORIZE the Executive Director to execute a contract with Nan McKay Associates, Inc. (NAMI), for Housing Quality Standards (HQS) and Uniform Physical Condition Standards (UPCS) inspections for the period of July 1, 2022, through June 30, 2027.

BACKGROUND

HUD requires housing authorities to conduct an annual Housing Quality Standards (HQS) inspection of every unit leased under the voucher program and a Uniform Physical Condition Standards (UPCS) inspection of every public housing unit. Additional inspections are required as a follow up to any failed inspections, in response to complaints, and as deemed appropriate to ensure compliance with federal program regulations.

Housing authorities are required to issue a competitive request for proposals to find the most cost-effective and best-qualified vendor to provide services. HUD procurement regulations permit for cooperative procurement agreements amongst governmental agencies whereby one agency's competitive solicitation for inspection services can be utilized by another agency if the terms and conditions of the contract are substantially the same.

Action of Board On: **05/17/2022** ☒ 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

Cynthia Jordan,
Commissioner

Joanne Segura,
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: May 17, 2022

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

Contact: 925-957-8028

cc:

HACCC conducted a competitive procurement process to secure the services of NAMI for this latest contract. On March 10, 2022, HACCC issued a Request for Proposals from interested bidders for inspection services. Three firms submitted proposals by the April 21, 2022 deadline. Nan McKay Associates, Inc., was far and away the most responsive and affordable of the three proposals submitted with an overall score of 96 points out of a possible 100 points.

The cost per inspection charged by NAMI has stayed below the cost charged by many competitors and NAMI continues to be the most economically viable solution for inspection services. NAMI is a new venture in partnership with the former Sterling Inspection Services Director of Operations, who is the outgoing inspection services contractor. With that, the transition to NAMI from Sterling should be smooth and quick.

BACKGROUND (CONT'D)

In 2015, HUD permitted housing authorities to implement biennial inspections for the Housing Choice Voucher (HCV) Program. As a result, the overall number of inspections has been significantly reduced. The annual costs indicated above reflects an average per year. In alternating years, the costs will be significantly higher or lower than the \$585,000 indicated, but on average the costs will be approximately \$585,000 per year. Every two years, each HCV unit will be inspected and every year, all public housing units will undergo UPCS inspections.

FISCAL IMPACT

The total annual cost for this contract averages out to approximately \$585,000 per year and up to \$2,925,000 over a five-year period. Funding for this contract is included in the Housing Authority's (HACCC) budget.

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners not approve a contract amendment with Nan McKay Associates, Inc., HQS and UPCS inspections may not be conducted in a timely manner. This would cause HACCC to fall out of compliance with HUD regulations.