



CITY of NOVI CITY COUNCIL

Agenda Item C
January 22, 2018

SUBJECT: Approval to award a contract for the administration of the 2017 Program Year for the Community Development Block Grant (CDBG) Minor Home Repair Program to Oakland Livingston Human Service Agency (OLHSA) in the amount of \$16,925.20.

SUBMITTING DEPARTMENT: Finance

CITY MANAGER APPROVAL: 

EXPENDITURE REQUIRED	\$16,925.20
AMOUNT BUDGETED	\$98,481 (includes support of Novi Youth Assistance and the Minor Home Repair program)
APPROPRIATION REQUIRED	\$0
LINE ITEM NUMBER	264-264.00-891.000

BACKGROUND INFORMATION:

Each community receiving CDBG funds must bid public service contracts annually in order to comply with the grant's procurement guidelines. Only one proposal was received this year from Oakland Livingston Service Agency (OLSHA). OLHSA has had significant experience with the minor home repair. OLHSA's proposal includes a 20% program administrative fee (which is the maximum allowable under this federal grant). This fee is assessed on the actual construction cost of each project successfully completed by OLHSA. OLHSA began administering Novi's Minor Home Repair program back in July 2002. The total allotted CDBG funds for Minor Home Repair is \$84,626.00 of which \$16,925.20 is administrative costs and \$67,700.80 is available for labor and materials.

RECOMMENDED ACTION: Approval to award a contract for the administration of the 2017 Program Year for the Community Development Block Grant (CDBG) Minor Home Repair Program to Oakland Livingston Human Service Agency (OLHSA) in the amount of \$16,925.20.

CDBG Bid Tabulation Form

Description of Item: City of Novi CDBG Minor Home Repair 2017 Program

Date	Vender	Phone #	Contact Person	Program Management	Labor/Materials	Total	Comments
9/19/2017	Oakland Livingston Human Services Agency	(248) 209-2600	Susan Harding	\$ 16,925.20	\$ 67,700.80	\$84,626.00	

The RFP was posted on the Michigan Intergovernmental Trade Network (MITN) website which emailed notice of the RFP to 232 firms registered in the categories of Home Management, Safe Housing, Administrative Services - All Kinds, Family and Social Services, Administrative Services of All Kinds, and Professional Services (Not Otherwise Classified). A courtesy notice was sent to OLHSA.

PROPOSAL FOR ADMINISTRATION OF
COMMUNITY DEVELOPMENT BLOCK GRANT
MINOR HOME REPAIR PROGRAM
PY 2017

Presented to:

THE CITY OF NOVI

Proposal Presented by:

OAKLAND LIVINGSTON HUMAN SERVICE AGENCY
196 Cesar E. Chavez, P.O. Box 430598
Pontiac, MI 48343-0598
(248) 209-2600

Susan Harding
Chief Executive Officer

CDBG MINOR HOME REPAIR PROGRAM
FOR THE CITY OF NOVI
PY2017

INTRODUCTION AND BACKGROUND

For the past 53 years, the Oakland Livingston Human Service Agency (OLHSA) has carried out a wide array of programs to increase the self-sufficiency of and improve the quality of lives for low income households in Oakland and Livingston Counties. Among the programs provided are senior chore service, maternal and child health care, workforce development, energy and housing services, and preschool education. For the past 34 years, OLHSA has carried out energy and housing services such as heating assistance payments, weatherization, minor home repair, and major rehab, first-time home buyer seminars, mortgage programs, financial management training, and affordable housing. These services have made OLHSA aware of the fact that as energy prices rise, and the state and federal resources are uncertain, additional local resources are needed to assure long term energy self-sufficiency and decent, safe homes for low to moderate income citizens.

Since 1972, OLHSA has weatherized over 17,304 homes in Oakland and Livingston Counties. Weatherization includes a whole-house energy audit, insulation of the attic, walls, and floor areas; major air sealing, and repair of windows, doors, and cracks in walls and ceilings, as well as a health and safety evaluation of the homes venting system and combustible appliances. Weatherization can also include repair and replacement of vent fan systems, furnaces, and hot water heaters, improving the health, safety, energy efficiency, and comfort of the home.

OLHSA has maintained and continues to work in a partnership with CLEAResult, Walker Miller/DTE Energy, and MCA administering the Energy Optimization (EO) program. This program is a direct benefit to all OLHSA clients, allowing them to receive additional energy efficiency improvements that would not be possible using just weatherization funding. These EO funds expand the number of households for whom we are able to provide upgraded furnaces, refrigerators, the installation of compact fluorescent light bulbs, and other energy saving devices.

OLHSA is proud to announce an updated initiative. Our Home Chore program that has been in service for over 22 years has expanded to become our Affordable Assistance Program. Through high-quality property management service provided at very competitive rates, Affordable Assistance makes life a little easier for our customers. Seniors living alone can increase or maintain their independence, busy families worry less about the little tasks, and others are simply grateful that someone else is doing the yard maintenance. The best part is that the profit from Affordable Assistance goes straight to helping OLHSA provide the free services desperately needed by so many of our struggling neighbors. By hiring Affordable Assistance, customers are giving back to the community. The more work Affordable Assistance performs, the more people in-need OLHSA can help.

CAPABILITY AND EXPERIENCE

Under the PY2016 grant with Novi, OLHSA has completed 15 homes. There are another 12 units targeted to be completed under PY2017 grant. In addition, OLHSA has provided weatherization services for 7 homes in the Novi CDBG Minor Home Repair Program. OLHSA has been delivering high-quality Minor Home Repairs through the CDBG program to Novi residents for many years. Since 2002, OLHSA has served 186 households in Novi with more than \$651,500 for minor home repairs. These Minor Home Repair funds are used to improve the health and safety of homes and are used for repairs that are not covered by other funding sources. By combining these funds with

an additional \$280,000 in weatherization funds, these homeowners are now living in more comfortable and energy efficient homes, lowering their utility bills and helping them stretch their limited incomes even further, improving the lives of everyone in the family. OLHSA has also provided CDBG Minor Home Repair services to municipalities such as Addison, West Bloomfield, Commerce Township, Oakland Township and Charter Township of Oxford.

Beginning April 22, 2010, the federal government issued a new regulation (40CFR part 745, subpart E) regarding repair on homes containing lead-based paint. To be in compliance with this new regulation, additional work and involvement of certified inspectors and contractors is required. OLHSA's Community & Energy Services Division has taken the lead in lead inspection/risk assessment.

OLHSA has an inspection team that includes a certified lead inspector/assessor, a licensed builder, and an inspector with the Housing Quality Standards training provided by Michigan State Housing Development Authority (MSHDA). All inspectors are qualified state weatherization inspectors trained in the use of air quality and pressure diagnostic equipment and furnace testing equipment to assure the health and safety of every home receiving any services. Additionally all of OLHSA's auditors are Michigan Occupational Safety and Health Administration (MIOSHA) certified and have Green and Healthy Homes Initiative Certification.

The office personnel include oversight by Dayna Swindell, Community & Energy Services Director and Gary Warsecke, Associate Director of Weatherization & Community Services; inspection by Michael Smith, Energy Diagnostics Inspector; and business operations by Debbie Bennett, Program Support Coordinator and Dawn Rigg, Assistant Director of Community & Energy Services. OLHSA has a fully staffed financial department responsible for more than 70 different programs including many years of experience in a variety of CDBG programs both for the county and several municipalities.

OLHSA maintains full insurance coverage as an agency, including worker's compensation, general liability, automobile liability, and protective liability as required. In addition, all sub-contractors who provide weatherization and/or rehab services are required to maintain full insurance coverage. All contractors are required to complete the DOE Lead Safe Work Practices training and EPA Renovation Repair and Painting certifications.

Based upon past and current program activities, OLHSA can assure the effective and efficient delivery of CDBG funded minor home repair services, both in administration and technical applications.

PROPOSED PROGRAM

OLHSA will provide minor home repair for between 13 and 14 homes in the City of Novi depending on the scope of services required at a cost from \$1,000 to \$5,000 (One thousand to five thousand dollars and no cents) per unit for a total contract of \$84,626.00 (including 20% for program management). OLHSA is familiar with all aspects of CDBG requirements, including client eligibility, contractor procurement, and financial and programmatic reporting, and will be in compliance with said requirements for the duration of the project. Where possible for eligible units, OLHSA will leverage funding from its weatherization program, including the Department of Energy Weatherization Assistance Program (DOE WAP).

All clients will be invited to participate in energy education classes offered by OLHSA. They will receive a comprehensive needs assessment through our Welcome Center, where they will be introduced to the variety of services provided by other departments at OLHSA.

BUDGET

The following is a general breakdown of the minor home repair budget.

Program Management (20%)		\$ 16,925.20
Labor/Material	(80%)	<u>\$ 67,700.80</u>
TOTAL	(100%)	\$ 84,626.00

CONCLUSION

OLHSA will effectively deliver a CDBG Minor Home Repair to low and moderate income residents of the City of Novi. By linking this program to the Department of Energy Weatherization Assistance Program as well as available utility and Department of Human Services Energy programs when applicable, these clients will receive the maximum benefit of energy cost saving and home repair services to provide healthy, safe, and decent homes for residents of the City of Novi. In addition, clients will be referred as needed to the wide range of services available through OLHSA’s community services, senior and Head Start programs, providing a holistic approach for each household and family served.

OLHSA
NOVICDBG.rfp

09/17 / dr

COMMUNITY DEVELOPMENT BLOCK GRANT
PUBLIC SERVICE CONTRACT
PY 2017

City of Novi
Municipality

Oakland Livingston Human Service Agency (OLHSA)
Service Agency

Effective Date: **July 1, 2017**

Ending Date: **December 31, 2018**

This contract shall be effective for 1.5 years from the beginning effective date or when funding has been expended, whichever comes first. Contracts should not exceed 1.5 years in duration.

CONTRACT FUNDING SOURCES:

CDBG Program Year: 2017

Account Name: Minor Home Repair

Total CDBG Dollar Amount of Contract: \$84,626.00

Section I. AGREEMENT

This contract is made this day, ___/___/_____, between **Oakland Livingston Human Service Agency (OLHSA)**, hereinafter designated as the "**Service Agency**", having its principal office at 196 Cesar E. Chavez, P.O. Box 430598, Pontiac, MI 48343-0598 and, **City of Novi**, hereinafter designated as the "**Municipality**", having its principal office at 45175 Ten Mile Road, Novi, MI 48375.

Section II. PURPOSE

A) The purpose of this contract shall be:

To provide Minor Home Repair services utilizing designated Community Development Block Grant Funds in the amount specified above.

Minor Home Repair Programs are designed to help low to moderate income resident homeowners within the City of Novi complete more complicated home maintenance. Minor Home Repair Programs are subject to federal lead based paint regulations. Minor Home Repair jobs that require addressing lead based paint must be completed by certified lead abatement contractors. The contractor(s) doing these jobs must be licensed and carry liability, property damage and worker's compensation insurance in the kind and

amount specified by the City of Novi. Minor home repairs include, but are not limited to the following:

1. Cleaning, adjusting and repair of furnaces
2. Testing of furnaces
3. Repair or replacing water heaters
4. Replacing garbage disposals
5. Replacing toilets
6. Replacing tub faucets, shower heads, laundry and kitchen faucets
7. Repairing water and waste lines
8. Rod sewer lines
9. Changing electrical services
10. Replace defective light fixtures
11. Install switches and light at entry ways
12. Replace defective wiring
13. Replace entrance doors
14. Repair or replace porch decks, stairs and handrails
15. Reinforce porches
16. Replace defective windows
17. Install storm doors
18. Install storm windows
19. Repair roofs, downspouts, gutters and siding
20. Repair chimneys
21. Clean chimneys
22. Paint interior and exterior (See lead based paint provisions)
23. Remove large items or large amounts of debris from in and around the home
24. Remove architectural barriers
25. Correct single code violations
26. Repair sidewalk and driveways
27. Replacing plaster/drywall on walls and ceilings
28. Connect residences to municipal water and/or sewer lines
29. Install battery operated or hard wired smoke detectors
30. One-time insect extermination

Minor Home Repair Programs cannot exceed \$5,000. The exception is a one-item job that exceeds \$5,000 and does not affect any interior or exterior painted surfaces. Homes that require more work than \$5,000 or substantial improvements should be referred to Oakland County's Home Improvement Program.

All of these programs are designed to benefit low to moderate income resident homeowners within the City of Novi. To qualify a household for the Minor Home Repair Program, annual gross household income and ownership of the home must be verified and cannot exceed the Section 8 limits as established by the U.S. Department of Housing and Urban Development.

A file must be maintained for each applicant served under this program that contains an application, proper income/ownership verifications and all other necessary documentation required as proof of compliance with all applicable Federal regulations

and Oakland County Community Development guidelines and requirements as established under the grant. These programs must be open to outside auditors and City personnel as required by federal regulation.

All Minor Home Repair projects must be competitively procured, based on Oakland County Procurement guidelines.

B) Federal CDBG Performance Measures are pre-determined for public service activities and include: Goal - Improve Quality of Life; Objective - Suitable Living Environment; Indicator - # of Low/Moderate Income Persons with New Access to Service as reported in the Direct Benefit Activity Report; Outcome - Improved Availability/Accessibility.

Section III. THE SERVICE AGENCY'S RESPONSIBILITIES

The Service Agency shall:

- A) Maintain records pertaining to the monies received and services provided in accordance with this agreement for a minimum of four years from the completion of this agreement. Allow the County of Oakland, the U.S. Department of Housing and Urban Development (HUD), the Comptroller General of the United States and any of their authorized representative's access to financial records pertaining to Community Development Block Grant Funds and this agreement for the purpose of audit or examination.
- B) Provide the Municipality and Oakland County Community & Home Improvement Division a specific unit(s) of measure for all services.
- C) Provide the Municipality invoices for services rendered based on actual costs.
- D) Submit payment requests that include required supporting documentation monthly or quarterly. Required documentation includes the "Direct Benefit Activity Report" to capture client information.
- E) Provide management and personnel to adequately perform/administer the services prescribed by this agreement, including administering the application review process, performing all necessary pre-inspections to determine scope of requested repair, awarding all Community Development Block Grant Minor Home Repair projects to qualified City of Novi applicants (applicant qualifications are to include, but not limited to, CDBG income verification for applicant based on previous year's income tax returns, home ownership verification that dwelling is applicant's primary residence), proper bidding and hiring of qualified and licensed contractors to provide minor home repairs to homes of qualified applicants, securing licensed lead contactors to do lead work, performing inspections during and at completion of minor home repair projects for each applicant, handling all complaints/concerns from applicants in a timely manner, complying with all CDBG Minor Home Repair Program regulations in addition to meeting all State and Local laws, ordinances, codes and regulations.
- F) Be solely responsible for any and all taxes (federal, state and/or local); worker's compensation insurance; disability payments; social security payments; unemployment insurance payments; insurance, and/or any similar type of payments for the Agency or

any employee thereof; and shall hold the Municipality harmless from any and all such payments.

- G) Provide insurance in the kind and amount specified by the Municipality. The Municipality shall be named as an additional insured thereon and furnished with a certificate thereof when applicable. See Attachment A.
- H) The Agency will not solicit or apply funds from any other source for the services reimbursed under this agreement.
- I) Agency will comply with all CDBG regulations set forth by Oakland County, including but not limited to, completing all Historical Clearance Applications (when applicable), Direct Benefit Activity (DBA) Reports, Lead-based Paint Compliance Certification Forms (along with homeowner's signature on back of form stating they have received "Protect Your Family From Lead in Your Home pamphlet), Housing Rehabilitation and Minor Home Repair Environmental Review Forms, and taking photographs of the applicant's dwelling (if applicable) and submitting same to the City of Novi with each payment request.
- J) Oakland County Community Development Block Grant Procurement Guidelines shall be followed for bidding and awarding of all Minor Home Repair projects to qualified contractors. It shall be the Agency's responsibility to bid for contractors to do minor home repair improvements for applicants and properly award same. The Agency shall maintain a proper log of all bidding/awarding processes and submit all paperwork regarding process to City of Novi for CDBG auditing purposes.

Section IV. THE MUNICIPALITY'S RESPONSIBILITIES

The Municipality shall:

- A) In consideration for services rendered by the Service Agency, pay a total sum not to exceed the CDBG program year funded amount specified above.
- B) The municipality shall require written documentation of the client benefit qualification to be kept on site with the agency.
- C) The municipality must monitor the service agency at least once during the contract period.
- D) Recompense the Service Agency upon receipt of a payment request that includes accurate required supporting documentation from the Service Agency in amounts and time intervals as specified here.

Section V. COMPLIANCE

- A) The Service Agency shall comply with applicable laws, ordinances, codes and regulations of the Federal, State and local governments.
- B) Client Eligibility: All clients served under this agreement shall be qualified via either the HUD section 8 income verification or the HUD "presumed benefit" verification.

Section VI. DISCRIMINATION PROHIBITED

The Service Agency shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, condition or privileges of employment on a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status pursuant to the Elliot Larsen Civil Rights Act, 1976, P.A. 453. The Service Agency and the Municipality shall also comply with the provisions of the Michigan Handicappers Civil Rights Act, 1976, P.A. 220 and the Federal Rehabilitation Act of 1973, P.A. 93-112, 87 Stat. 394, which require that no employee or client or otherwise qualified handicapped individual shall, solely by reason of his/her handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal assistance. No person shall, on the grounds of race, creed, color, sex, age, national origin, height, weight, handicap, marital status, sexual orientation, or gender identity be excluded from participation in, be denied the proceeds of, or be subject to discrimination in the performance of this contract.

Section VII. PROHIBITION OF POLITICAL AND RELIGIOUS ACTIVITY

There shall be no religious worship, instruction or proselytization as part of, or in connection with, the performance of this agreement. None of the funds, materials, property or services under this agreement shall be used in the performance of this agreement for any partisan political activity, including lobbying, as specified in Federal Circular A-122 Cost Principles for Nonprofit Organizations -- lobbying revisions, or to further the election, defeat, recall, impeachment, appointment or dismissal of any candidate for or from any public office.

Section VIII. GENERAL CONTRACT PROVISIONS

- A) Merger or Integration: This agreement constitutes the entire agreement between the Service Agency and the Municipality with respect to the subject matter hereof; there are no other further written or oral understandings or agreements with respect hereto.
- B) Modification, Assignment or Subcontracting Absent Prior Written Consent: No variation or modification of this agreement and no waiver of its provisions shall be valid unless in writing and signed by the duly authorized officers of the Service Agency and the Municipality. Any alterations, additions or deletions to the terms of this agreement, which are required by the enactment of legislation, regulations and directives, are automatically incorporated into this agreement on the date designated by law, regulation or directive.
- C) Termination: Either party may, at any time during the life of this agreement, terminate this agreement by giving thirty (30) days written notice to the other party and Oakland County Community & Home Improvement Division of its intention to terminate and an opportunity for consultation prior to termination. In the event of a termination, the Municipality's obligation shall only be to reimburse the Service Agency for services rendered up to notification of termination.
- C) Addendum: A contract duration may be extended or shortened, funds may be added or subtracted via an addendum signed by a representative from the Municipality and

the Service Agency indicating the exact changes. The Municipality shall provide a copy to Oakland County Community & Home Improvement.

- E) Hold Harmless: To the fullest extent permitted by law, the Service Agency agrees to indemnify, pay in behalf of, and hold harmless the Municipality, Oakland County Community & Home Improvement, their elected and appointed officials, employees, volunteers, boards, commissions and others working in behalf of the Municipality and/or County, against any and all claims, demands, suits, losses, including all costs connected therewith for any damages which may be asserted, claimed or recovered against or from the Municipality and/or County, by reason of personal injury, including bodily injury and death, and/or property damage, including loss of use thereof, which arises out of, or is in any way connected or associated with the activity authorized by this contract.
- F) Confidentiality: The use or disclosure of information by the Municipality or Service Agency concerning services, applicants or recipients obtained in connection with the performance of the agreement shall be restricted to the purposes directly connected with the administration of the services provided under this agreement. Such information shall not be used for any other purpose unless required by law, statute or other legal process and is disclosed to Oakland County Community & Home Improvement.
- G) Disputes: The Municipality shall notify the Service Agency in writing of its intent to pursue a claim against the Service Agency for breach of any terms of this agreement. No suit may be commenced by the Municipality for breach of the agreement prior to the expiration of ninety (90) days from the date of such notification. Within this ninety (90) day period, the Municipality at the request of the Service Agency must meet with an appointed representative of the Service Agency for the purpose of attempting to resolve the dispute. The Service Agency shall be given the opportunity to cure or remedy any breach within such ninety (90) day period.
- H) Notices: Whenever under this agreement a provision is made for notice of any kind, unless otherwise herein expressly provided, it shall be in writing and shall be served personally or sent by registered or certified mail with postage prepaid to the designated representatives at the addresses supplied below. A copy shall be provided to Oakland County Community & Home Improvement.
- K) Equal Employment Opportunity: The Service Agency shall comply with Executive Order 11246 of Sept. 24, 1965, entitled "Equal Employment Opportunity, "as amended by Executive Order 11375 October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60).
- J) Copeland "Anti-Kickback" Act: The Service Agency shall comply with the Copeland "Anti- Kickback" Act (18 U.S.C.874) as supplemented in Department of Labor regulations (29 CFR part 3). (Applies to contracts and sub grants for construction or repair)
- K) Reporting/Monitoring Requirements: The Municipality shall monitor the operations of vendor activities under this contract to assure compliance with applicable Federal requirements, contract provisions and that performance goals are being achieved on

an annual basis.

- L) Patent Regulations: The Service Agency shall comply with the Municipality's requirements pertaining to patent rights with respect to any discovery or invention, copyrights and rights in data which arise or is developed in the course of or under such contract.

- M) Debarment, Suspension, Ineligibility and Voluntary Exclusion
The Service Agency shall comply with the provisions of 24 CFR Part 24 that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract. Additionally, the Contractor shall not use, directly or indirectly, any of the funds provided by this contract to employ, award contracts to, or otherwise engage the services of, or fund any contractor/subcontractor during any period that the contractor/subcontractor is debarred, suspended or ineligible under the provisions of 24 CFR Part 24. Using the Excluded Parties Listing System (<http://epls.arnet.gov>), Oakland County Community & Home Improvement Division has determined, as of the date of this contract that the Contractor is not excluded from Federal Procurement and Non-procurement Programs.

- N) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)-Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

IX. SERVICE AGENCY AND MUNICIPALITY CONTACT INFORMATION

<u>SERVICE AGENCY</u>	<u>MUNICIPALITY</u>
Name: OLHSA	Name: City of Novi
Representative Name: Susan Harding	Representative Name: Robert J. Gatt
Phone #: (248) 209-2600	Phone #: (248) 347-0456
Address: 196 Cesar E. Chavez, P.O. Box 430598 Pontiac, MI 48343-0598	Address: 45175 Ten Mile Road Novi, MI 48375
E-mail Address: susanh@olhsa.org	E-mail Address: rgatt@cityofnovi.org

IRS #:

X. CONTRACT ACCEPTANCE

The undersigned indicate by their signatures that they are authorized to act on behalf of their respective party in this capacity. CDBG funds may not be legally obligated until after the municipality has received the official award of funds letter for this program year.

SERVICE AGENCY

MUNICIPALITY

Name: OLHSA

Name: City of Novi

Officer Name: Susan Harding

Officer Name: Robert J. Gatt

Officer Title: Chief Executive Officer

Officer Title: Mayor

Signature:

Signature:

Witnessed:

Witnessed:

Date:

Date: