



## CITY OF COMMERCE AGENDA REPORT

**TO:** HONORABLE CITY COUNCIL

**Item No. \_\_\_\_\_**

**FROM:** CITY ADMINISTRATOR

**SUBJECT:** RESOLUTION APPROVING AN AGREEMENT WITH LEAD TECH ENVIRONMENTAL FOR ASBESTOS AND LEAD-BASED PAINT CONSULTING SERVICES IN CONJUNCTION WITH THE HOME PRESERVATION GRANT PROGRAM [PROJECT NO. 601074-18 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM]

**MEETING DATE:** October 16, 2018

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### **RECOMMENDATION:**

Approve the Resolution authorizing Lead Tech Environmental to provide asbestos and lead-based paint consulting services in conjunction with the Home Preservation Grant Program (Project No. 601074-18 Community Development Block Grant Program) in an amount not-to-exceed \$9,000.00.

### **BACKGROUND:**

The City of Commerce is a participant city in the County of Los Angeles Small Cities Block Grant Program that distributes Federal Community Development Block Grant (CDBG) Funds. Each year, the City receives an allocation of funding administered by the Community Development Commission of Los Angeles County (CDC) for programs and projects that benefit low to moderate-income persons. With CDBG funds, the City has provided a variety of programs and projects over the years, which includes the Home Preservation Grant Program.

On February 6, 2018, the City Council approved the Fiscal Year 2018/2019 CDBG Program funding budget for the Home Preservation Grant Program in the amount of \$95,000. The purpose of the Home Preservation Grant Program is to assist low-moderate income households throughout the City with the repair and rehabilitation of their single-family owner-occupied home. The grant provides up to \$20,000 to conduct home improvement repairs such as new roofing, exterior paint, window replacement and to conduct asbestos and/or lead-based paint testing and remediation and/or abatement of these hazardous materials.

## **ANALYSIS:**

Federal regulations require that a lead-based paint and/or asbestos test be performed on properties constructed prior to 1978 for lead based paint hazards and on buildings constructed prior to 1980 for asbestos containing material by a certified and licensed lead or asbestos professional. The City's funding agent, CDC, informed participating Cities that they had conducted the required procurement to provide asbestos and lead-based paint consulting services and maintain an on-call service agreement with various firms. Participating cities were encouraged to use the consultants on the on-call service list to reduce the administrative workload required to conduct their own procurement process. Attached is a copy of the LACDC's GMU Bulletin 15-0009 for reference.

One (1) of the five (5) asbestos and lead-based paint consulting firms contracted by LACDC is Lead Tech Environmental (LTE). The City has contracted with LTE over the last several years and is pleased with the level of service and rates provided for asbestos and lead-based paint testing services. As such, on April 17, 2018, the City Council approved Resolution 18-49 approving an agreement with Lead Tech Environmental for asbestos and lead-based paint consulting services through June 30, 2018.

Prior to FY 2017/2018, an agreement with Lead Tech Environmental was signed simultaneously with the award of the construction agreement for each individual project. However, rather than having individual agreements with Lead Tech Environmental for asbestos and lead-based paint consulting services and to comply with CDBG requirements, which require the execution of an agreement prior to incurring costs, staff recommends that a not-to-exceed agreement in the amount of \$9,000.00 be approved with Lead Tech Environmental through June 30, 2019. The total not-to-exceed amount of the agreement is based upon the estimated number of projects necessitating asbestos and/or lead based testing services during the 2018/2019 fiscal year and the maximum average cost of these tests per property. Attached is a copy of LTE's proposal for reference.

| <b>FY18/19 Home Preservation Grant Program Projects requiring testing services</b> | <b>Average Lead/Asbestos Testing Costs/Property</b> | <b>Not-to-Exceed Total</b> |
|--|---|----------------------------|
| 6  | \$1,500.00  | \$9,000.00                 |

An amendment to extend services for the subsequent fiscal years may be presented to Council at the onset of the new fiscal year. Staff will also provide Council with an overview of the total construction costs for each individual project prior to awarding the Agreement for Rehabilitation with the general contractor.

## **FISCAL IMPACT:**

The asbestos and lead-based paint activities can be carried out using Federal CDBG funds and do not impact the City's General Fund. The account number that the funds are available in is as follows:

29-2910-71715.10337 – Home Preservation Program Construction CDBG Fund

## **RELATIONSHIP TO STRATEGIC GOALS:**

The issue before the Council is consistent with the Community Quality of Life Guiding Principle 5 of the City's Strategic Action Plan: "Foster environmentally conscious initiatives and continue to identify and develop city codes that support a clean, well-maintained, sustainable community". An Action Item titled "Pursue quality of life initiatives through the operating budget and CIP plan" was also developed to provide a pathway for the vision of the Guiding Principal to be realized.

## **ALTERNATIVES:**

1. Approve staff's recommendation
2. Provide staff with alternative direction

## **ATTACHMENTS:**

1. Resolution
2. Lead Tech Environmental Agreement
3. Lead Tech Environmental Proposal (Exhibit 1)
4. General Conditions to the Agreement (Exhibit 2)
5. LACDC's GMU Bulletin No. 15-0009

Prepared by: Esther Luis, Program Consultant, MDG Associates, Inc.

Reviewed by: Matt Marquez, Deputy Director of Development Services

Approved by: Maryam Babaki, Director of Public Works & Development Services

Reviewed by: Vilko Domic, Finance Director

Approved as to form: Norma Copado, City Attorney

Respectfully submitted: Edgar P. Cisneros, City Administrator