



CITY OF MENIFEE

SUBJECT: Master Agreements for the CDBG Minor Home Rehabilitation Grant Program and the Single-Family Home Improvement Grant

MEETING DATE: December 6, 2023

TO: Mayor and City Council

PREPARED BY: Edna I. Lebrón, Senior Management Analyst

REVIEWED BY: Cheryl Kitzerow, Community Development Director

APPROVED BY: Rebekah Kramer, Acting City Manager

RECOMMENDED ACTION

1. Approve the two separate Master Service Agreements for the Minor Home Rehabilitation Grant Program (MHRGP) and the Single-Family Home Improvement Grant (SFHI) pre-approved contractors; and
2. Authorize the City Manager to execute individual Master Service Agreements with pre-approved contractors through June 30, 2025; and
3. Authorize the Finance Department to issue individual Purchase Orders (PO) against Master Agreements for approved individual home repair projects.

DISCUSSION

The Community Development Department's Planning Division is responsible for the administration of the Community Development Block Grant (CDBG) Program and a portion of the American Rescue Plan Act (ARPA). Both programs offer home repairs to qualified low-income residents or permanently disabled homeowners. Eligible repairs are designed to improve the quality of life for homeowners and increase independence in circumstances where seniors and disabled individuals are residing in a home. Eligible repairs or replacements include, but are not limited to: HVAC, roof, plumbing, electrical, windows, and handicap accessibility. These repairs are provided by licensed contractors with good standing from the State of California's Contractor Licensing Board and have not been placed on the debarment list by the U.S. Department of Housing and Urban Development (HUD).

Pursuant to the Menifee Municipal Code, all purchases, goods and/or services, of \$2,000 or greater require City Manager or City Council approval, in addition to adherence with any

applicable competitive quote/bid process. To satisfy these requirements, individual requisitions were historically submitted for review and ultimate approval under the authority of the City Manager. Ultimately, all contractors awarded a project for home repair must have a PO before any work can commence. Given the high demand for the MHRGP and SFHI Programs, as well as the time sensitivity in being able to move forward with much-needed home repairs, staff has reviewed the current approval process for these programs and identified some operational process improvements to streamline approvals.

Staff is proposing that instead of obtaining individual approval by requisition specific to each individual project, the City Council approve the Master Service Agreement and pre-approved licensed contractors. The proposed agreements would cover the remainder of Fiscal Year (FY) 2023/24 and FY 2024/25.

In total, each individual master agreement would not exceed \$100,000 for the contract period, and individual projects approved against the master agreements would not exceed the total available and approved program budgets, as approved during the budgetary process. In order to be pre-approved contractors participating in the program(s), each contractor would need to meet the following minimum requirements:

1. Maintain current and active applicable trade license(s) required to complete work.
2. Maintain an active City of Menifee Business License prior to initiating any work.
3. Maintain current and active Sam.gov registration demonstrating eligibility to provide federally funded works, as the two programs involve federal grant funding.
4. Be able to provide detailed project-specific quotes for staff review/approval.

From time to time, the Community Development Department will review additional eligible contractors interested in participating in the programs and approve for participation as a pre-approved contractor.

To ensure the most competitive pricing, and the most cost-effective use of the funds, staff would continue to request and obtain three competitive quotes for each project. Upon reviewing the quotes, program staff would request the Finance Department issue a corresponding PO to the approved contractor against the executed Master Agreement. This would condense the review/approval process for issuing individual purchase orders and allow projects to begin earlier. In no event would the total purchase orders issued to any specific contractor exceed the total not-to-exceed established contract amount. The total purchase order issued collectively for the program would not exceed the total available program budget for the respective fiscal year(s).

STRATEGIC PLAN OBJECTIVE

Thriving Economy -

Implementation of the Master Service Agreement would support objectives in the City's Strategic Visioning for a Thriving Economy by streamlining internal development-related processes and providing more transparency of contract service expenditures for ease of future reporting and contract monitoring.

FISCAL IMPACT

There would be no additional fiscal impact from the use of master agreements for the CDBG MHRGP and/or Single-Family Home Improvement Program. Funding for the CDBG and ARPA programs are included as part of the approved year's operating budget (FY2023/24 and 2024/25), including applicable budget carryovers. As previously stated, the total purchase orders issued to any specific contractor would not exceed the total not-to-exceed established contract amount, and the total purchase order issued collectively for the program would not exceed the total available program budget for the respective fiscal year(s).

ATTACHMENTS

1. CDBG Master Service Agreement
2. ARPA Master Service Agreement
3. Pre-Approved Contractors List