



**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FROM: Director of Mental Health

SUBMITTAL DATE: March 24, 2003

SUBJECT: Ratify Fiscal Year 2002/03 contract with Nation One Contractors and Investment Company (NOCIC) (Organization 644, All Districts)

RECOMMENDED MOTION: Move that the Board of Supervisors:

Ratify Fiscal Year 2002/03 contract with NOCIC and authorize the Chairman of the Board to sign the contract to February 1, 2003.

BACKGROUND:

The Adult Region, Homeless Program has been awarded various grants to provide housing services to the mentally ill homeless population of Riverside County. The grants awarded to the Department of Mental Health include but are not limited to, the Federal Emergency Management Agency's (FEMA) Emergency Food & Shelter Program (ESFP), the Federal Department of Housing and Urban Development's (HUD) Supportive Housing and Emergency

THIS AGREEMENT HAS BEEN FORM APPROVED BY COUNTY COUNSEL

[Signature]
John J. Ryan, Director
Department of Mental Health

JJR:NAE

FINANCIAL DATA: FY 02/03
CURRENT YEAR COST: \$ 70,028
NET COUNTY COST: \$ 0

ANNUAL COST: \$0
IN CURRENT YEAR BUDGET: Yes
BUDGET ADJUSTMENT: No

SOURCE OF FUNDS: State 83%, Federal 17%

C.E.O. RECOMMENDATION:

APPROVE

County Executive Officer Signature

[Signature]

Department Recommendation: Consent Policy
Per Executive Office: Consent Policy

MAR 26 2003

[Signature]
Purchasing: *[Signature]*
Asst. Director

Prev. Agn. Ref. 01/09/01, 3.34; 05/01/01, 3.11 Dist. ALL
03/20/01 3.26; 07/17/01, 3.21

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

AGENDA NO.

3.21

SUBJECT: Ratify Fiscal Year 2002/03 contract with Nation One Contractors and Investment Company (NOCIC) (Organization 644, All Districts)

BACKGROUND (CONT'D):

Shelter Grant Programs, the State of California's Housing and Community Development (HCD) Emergency Housing and Assistance Program (EHAP) grant and a grant award resulting from AB34 Homeless Integrated Services legislation (AB2034).

On December 4, 2001, Agenda item #3.32, the Board of Supervisors authorized the Purchasing Agent to enter into purchase order agreements with homeless housing vendors for an amount not to exceed \$100,000 per service provider. NOCIC is one of approximately 60 homeless housing vendors the Department utilizes to provide housing services to its homeless clients in Riverside County. Due to the current rate of utilization, it has become necessary to increase the agreement with NOCIC to a maximum amount of \$170,028.

CONTRACT AMENDMENT

The business entity known as NOCIC is headquartered in the city of Riverside and operates sober living residences throughout the County. Unlike most of the homeless housing service providers currently under contract with the Department, NOCIC owns and operates a large number of residences throughout the county, including the Desert area. This enables the Department to assist its homeless clients in obtaining safe and stable housing close to the areas where their personal, social and health-related contacts are located. The utilization of such "scattered sites" housing also prevents the concentration of a large number of individuals in any one area. With the lack of large-scale homeless housing resources available in the County, it has become increasingly difficult to find appropriate housing for the Department's clients, particularly in the Mid-County and Desert areas. NOCIC has been able to help the Department meet this vital need in those areas.

NOCIC is contracted to provide emergency shelter (30 days maximum), and transitional housing (24 months maximum), to the Department's clients. Based on individual client's needs, the Department has primarily utilized NOCIC for transitional housing services. NOCIC charges a \$25 daily rate or \$575 per month for room, board and some transportation services. Per the Board's action on December 4, 2001, agenda #3.32, the Purchasing Agent contracted with NOCIC in the amount of \$100,000 for FY 02/03. Year-to-date through February 2003, NOCIC has utilized \$99,800 of its contract amount. At the current rate of utilization, it is anticipated that NOCIC will need a maximum of \$170,028 for FY 02/03.

NOCIC Contract - FY 02/03

Current contract amount:	\$100,000
New contract amount:	<u>\$ 70,028</u>
Total amount to contractor:	\$170,028

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PRICE REASONABLENESS

The Department issued a Request for Proposals (RFP) on June 4, 2001 for the various housing types; emergency shelter, transitional and permanent housing. The Department had planned to contract with various housing vendors in Riverside County from the bids received as a result of the RFP. However, only five (5) bids were received which failed to address all housing service types needed to serve the unduplicated number of homeless clients requiring housing assistance.

In November of 2001, the Department issued a second RFP for a "Homeless Housing Liaison." The Department had hoped to contract with a qualified business or individual who would act as a liaison and would be responsible for developing, contracting and compensating homeless housing vendors throughout the county. Unfortunately, no responsive bids were received and the RFP was cancelled on February 11, 2002.

The Department reviews several factors in establishing a vendor's price reasonableness. The first consideration is the vendor's ability to meet the client's unique needs including location. A review of the supportive services available to clients is also considered. These services include but are not limited to client transportation, meal preparation, 24-hour access to the facilities and features such as refrigerators, kitchenettes and proximity to public transportation for clients able to live independently. Finally, a comparison of the vendor's rates is made to other vendors providing similar accommodations and supportive services in the same area. The rate range for each housing type follows:

Type of Housing	Average Daily Rate (Sgl. Occupancy)	Average Monthly Cost
Emergency Shelter (Motels/Hotels)	\$35 - \$50	N/A (less than 30 days)
Transitional/Temporary (Room & Boards)	\$18 - \$25	\$550 - \$650
Board & Care (Life Support)*	\$23 - \$30	\$700 - \$900
Independent Living/Permanent (Apt.)	\$18 - \$25	\$550 - \$750
Residential Detoxification	\$ 50 - \$85	N/A (14 days or less)

*Rates for Life Support are determined by the State of California, Community Care Licensing Division.

NOCIC's rate for transitional housing falls within the average range for similar services provided by other vendors located in Riverside County.

PERIOD OF PERFORMANCE

The ratified contract is effective from February 1, 2003 through June 30, 2003.

There are sufficient funds in the Department's FY 02/03 budget to provide for this agreement. Nor will this agreement result in exceeding the aggregate contract amount for homeless housing services of \$1,019,084 per Board Action on December 4, 2001, agenda #3.32. No additional County funds are required.