

**SUBMITTAL TO THE BOARD OF COMMISSIONERS  
HOUSING AUTHORITY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 10.1  
(ID # 15215)**

**MEETING DATE:**  
Tuesday, August 30, 2022

**FROM :** HOUSING AUTHORITY:

**SUBJECT:** HOUSING AUTHORITY (HACR): Approve and Accept the Cooperative Purchasing Agreement for the Housing Quality Standards (HQS) Inspection Service for all Public Housing Sites and Ratify and Approve the Professional Services Contract for Annual HQS Inspections between HACR and NMAI LLC for a two (2) year term with the option to renew for three (3) additional years in one (1) year increments; All Districts. [\$1,800,000 - 100% HACR Operating Funds]

**RECOMMENDED MOTION:** That the Board of Commissioners:

1. Approve and accept the use of a cooperative purchasing agreement between NMAI LLC (Contractor) and the Housing Authority of the County of Riverside (HACR) for all required Housing Quality Standards (HQS) inspections of its public housing sites, for a total contract amount of \$720,000 for a two (2) year term with the option to renew in writing for three (3) more years in one (1) year increments;
2. Ratify and approve the attached Professional Services Agreement for Housing Quality Standards (HQS) Inspection Service by and between and between HACR and Contractor (Agreement) for a potential total contract amount of \$1,800,000;

Continued on page 2

**ACTION:Policy**

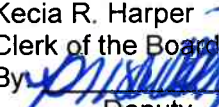
  
Heidi Marshall, Director of Housing, Homelessness Prevention 7/7/2022

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**MINUTES OF THE BOARD OF COMMISSIONERS**

On motion of Commissioner Spiegel, seconded by Commissioner Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: August 30, 2022  
xc: Housing

Kecia R. Harper  
Clerk of the Board  
By   
Deputy

**SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**RECOMMENDED MOTION:** That the Board of Commissioners:

3. Authorize the Deputy Executive Director of HACR to sign the attached Agreement; and
4. Authorize the Executive Director, or designee, to take all necessary steps to implement the Agreement including, but not limited to, (i) negotiating, approving and executing amendments to increase the total Agreement amount by no more than 10% of the aggregate Agreement amount to pay unforeseen costs of additional inspections, (ii) modifying the Scope of Services to address unforeseen issues, or make other non-monetary revisions necessary for the administration and implementation of the Agreement, and (iii) signing subsequent essential and relevant documents, all as subject to approval as to form by County Counsel.

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$360,000	\$360,000	\$1,800,000	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> 100% HACR Operating Funds			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 22/23 - 26/27	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The Housing Authority of the County of Riverside (HACR) is required by the U.S. Department of Housing and Urban Development (HUD) to have an independent third-party conduct inspections of its rental units annually as well as before every new tenant moves in. These inspections must conform to a set of standard criteria, known as the Housing Quality Standards (HQS), mandated by HUD and performed by an approved third party and licensed entity. NMAI LLC (Contractor) is a well-known, highly regarded company that performs these inspections for Public Housing Agencies nationwide. Contractor had been performing the HQS inspections for HACR for several years. Now, with recent agency retirements and cutbacks in staffing, HACR now wishes Contractor to assume the administration portion of the inspection service to alleviate these staff shortages. Based on the number of units that require an annual inspection, as well as re-inspections and inspections of units that are vacated and require a move-in inspection, HACR anticipates that it will require approximately 12,000 inspections per year at an estimated cost of \$360,000 per year for a total amount of \$1,800,000 for five (5) years.

Pursuant to Section 14.2.B.5 of the U.S. Department of Housing and Urban Development (HUD) Procurement Handbook 7460.8 Rev 2 and, also, 2 CFR §200.317 through §200.326, public housing authorities may purchase "supplies and services through a local, county, or state government's supply service or equipment contractor" ("Cooperative Purchasing Laws") without competitive procurement, provided the conditions in the Cooperative Purchasing Laws are satisfied. Based on this, HACR desires to "piggy-back" on the Sacramento Housing and Redevelopment Agency's RFP and the ensuing Contract awarded to NMAI LLC (attached), and enter into an Agreement with Contractor for HQS inspection services without competitive procurement because: (1) the Agreement with Contractor shall provide for greater economy and

**SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

efficiency and results in cost savings to HACR; (2) the Agreement with Contractor is used for common services of a routine nature only; (3) the services to be obtained from Contractor in connection with the Sacramento RFP and Sacramento Contract were obtained in compliance with the Cooperative Purchasing Laws; and (4) HACR affirms that it has satisfied all conditions for cooperative purchasing under the Cooperative Purchasing Laws and its own Procurement Policy and Procedures.

HACR staff recommends that the Board of Commissioners ratify and approve the attached proposed Professional Services Agreement for HQS Inspection Service (Agreement) to be entered into between HACR and Contractor for a maximum total contract amount of \$1,800,000 and recommends the approval of the attached proposed Agreement. County Counsel has reviewed and approved the Agreement as to form.

**Impact on Residents and Businesses**

Approving this item will have a positive impact on the citizens and businesses of each of the cities where the public housing units are located. The professional HQS inspection of these units will positively impact the residents of the apartments and improve each surrounding neighborhood.

**Contract History and Price Reasonableness**

Sacramento Housing and Redevelopment Agency (SHRA) advertised a Request for Proposals (RFP) No. 2201-DS on February 2, 2022. Contractor was the highest rated proposer that responded to the solicitation. The cost proposed by the Contractor at \$360,000 per year is deemed to be appropriate, fair, and reasonable.

**ATTACHMENTS:**

- SHRA RFP and attachments
- SHRA Contract
- Professional Services Agreement for HQS Inspection Service (3)

  
Brianna Lontajo, Principal Management Analyst

8/19/2022

  
Cynthia M. Gurzel, Chief Deputy County Counsel

8/15/2022

WHEN DOCUMENT IS FULLY EXECUTED RETURN  
CLERK'S COPY  
to Riverside County Clerk of the Board, Stop 1010  
Post Office Box 1147, Riverside, Ca 92502-1147  
Thank you.

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**PROFESSIONAL SERVICES AGREEMENT**

**For**

**Housing Quality Standards (HQS) Inspection Service**

**By and Between**

**Housing Authority of the County of Riverside**

**and**

**NMAI LLC**



AUG 30 2022 10.1

1 THIS PROFESSIONAL SERVICES AGREEMENT FOR THE HQS INSPECTION  
2 SERVICE ("Agreement"), is made and entered into as of the effective date, defined  
3 below, by and between NMAI, LLC, a California limited liability company  
4 ("CONTRACTOR") and the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE,  
5 a public entity corporate and politic, ("HACR" or "AUTHORITY"). The parties agree as  
6 follows:

7  
8 **RECITALS**

9 **WHEREAS**, AUTHORITY is a Housing Authority duly created, established and  
10 authorized to transact business and exercise its powers, all under and pursuant to the  
11 provision of the Housing Authorities Law located in Part 2 of Division 24 of the California  
12 Health and Safety Code commencing with Section 34200 et seq.;

13 **WHEREAS**, pursuant to the Housing Authorities Law, AUTHORITY is authorized  
14 to make and execute contracts and other instruments necessary or convenient to  
15 exercise its powers;

16 **WHEREAS**, pursuant to Section 14.2.B.5 of the U.S. Department of Housing and  
17 Urban Development (HUD) Procurement Handbook 7460.8 Rev 2 and also 2 CFR  
18 §200.317 through §200.326, AUTHORITY may purchase "supplies and services through  
19 a local, county, or State government's supply service or equipment contractor"  
20 ("Cooperative Purchasing Laws") without competitive procurement, provided the  
21 conditions in the Cooperative Purchasing Laws are satisfied;

22 **WHEREAS**, pursuant to the Cooperative Purchasing Laws, AUTHORITY desires  
23 to "piggy-back" on the Sacramento RFP and the Sacramento Contract and enter into an  
24 Agreement with CONTRACTOR for HQS inspection services without competitive  
25 procurement because (1) the Agreement with CONTRACTOR shall provide for greater  
26 economy and efficiency and results in cost savings to AUTHORITY; (2) the Agreement  
27 with CONTRACTOR is used for common services of a routine nature only; (3) the  
28 services to be obtained from CONTRACTOR in connection with the Sacramento RFP

1 and Sacramento Contract were obtained in compliance with the Cooperative Purchasing  
2 Laws; and (4) the AUTHORITY has satisfied all conditions to cooperative purchasing  
3 under the Cooperative Purchasing Laws; and

4 **WHEREAS**, CONTRACTOR has the expertise, special skills, knowledge, and  
5 experience to perform the duties set out herein and agrees to provide such services to  
6 AUTHORITY.

7 **NOW THEREFORE**, in consideration of the mutual covenants contained herein,  
8 the parties hereto agree as follows:

9  
10 **1. Description of Services**

11 **1.1** CONTRACTOR shall provide comprehensive HQS Inspection Services at  
12 the twelve hundred (1200) Housing Choice Voucher (HCV) scattered site individual  
13 rental units, and also at the nineteen (19) RAD and other public housing sites, and any  
14 other sites or units that AUTHORITY may acquire in the future, all located within  
15 Riverside County, for the fees stated in Paragraph 3.1 below. CONTRACTOR shall  
16 provide all services, labor, material, and equipment as outlined and specified in (i) the  
17 Scope of Service, attached hereto as Exhibit A; (ii) the Sacramento RFP, attached hereto  
18 as Exhibit B; and (iii) CONTRACTOR'S quote submitted in connection with the  
19 Sacramento RFP, attached hereto as Exhibit C; each exhibit of which is respectively  
20 incorporated herein by this reference (collectively, "HQS Inspection Services").

21 **1.2** CONTRACTOR represents that it has the skills, experience, and  
22 knowledge necessary to fully and adequately perform under this Agreement, and  
23 AUTHORITY relies upon this representation. CONTRACTOR shall perform to the  
24 satisfaction of AUTHORITY, and CONTRACTOR shall perform the services and duties  
25 in conformance to and consistent with the standards generally recognized as being  
26 employed by professionals in the same discipline in the State of California.  
27 CONTRACTOR further represents and warrants to AUTHORITY that it has all licenses,  
28 permits, qualifications and approvals of whatever nature are legally required to practice

1 its profession. CONTRACTOR further represents that it shall keep all such licenses and  
2 approvals in effect during the term of this Agreement.

3 **1.3** CONTRACTOR affirms that it is fully apprised of all of the work to be performed  
4 under this Agreement; and CONTRACTOR agrees it can properly perform this work at the  
5 fee stated in Paragraph 3.1. CONTRACTOR shall not perform services or provide products  
6 that are not set forth in this Agreement, unless by prior written request of AUTHORITY.

7 **1.4** Acceptance by AUTHORITY of CONTRACTOR'S performance under this  
8 Agreement does not operate as a release of CONTRACTOR'S responsibility for full  
9 compliance with the terms of this Agreement.

10  
11 **2. Period of Performance**

12 **2.1** This Agreement shall commence on July 1st, 2022, (the "Effective Date"),  
13 and continue in effect through June 30, 2024, with an option to renew in writing for three  
14 (3) more years, in one (1) year increments, unless earlier terminated pursuant to  
15 Paragraph 5 below.

16  
17 **3. Compensation**

18 **3.1** AUTHORITY shall pay CONTRACTOR for services performed, products  
19 provided, and expenses incurred in accordance with the Scope of Service attached  
20 hereto as Exhibit "A", the HQS Inspection Services. Maximum payment by AUTHORITY  
21 to CONTRACTOR for the services provided herein, shall not exceed ONE MILLION  
22 EIGHT HUNDRED THOUSAND DOLLARS (\$1,800,000), including all expenses,  
23 ("Contracted Amount") should the Agreement remain in force for the entire five (5) year  
24 term. For the original two (2) year term, maximum payment by AUTHORITY shall not  
25 exceed SEVEN HUNDRED TWENTY THOUSAND DOLLARS (\$720,000).

26 AUTHORITY shall not be responsible for any fees or costs incurred above or  
27 beyond the aforementioned Contracted Amounts and AUTHORITY shall have no  
28 obligation to purchase any specified amount of services or products, unless agreed to in

1 writing by AUTHORITY pursuant to Paragraph 4 below. CONTRACTOR shall not be  
2 entitled to any additional fees for any of the HQS Inspection Services, other than those  
3 set forth below.

4 No compensation shall be allowed for administrative, overhead, insurance, word  
5 processing (normal or overflow secretarial time or overtime, or computer time or service)  
6 and related expenses.

7 **3.2** CONTRACTOR'S fees encompass all HQS Inspection Services including,  
8 but not limited to, administration services, scheduling of initial inspections, initial  
9 inspections, re-inspections for failed units after initial inspections, notification letters for  
10 initial inspections, attendance at hearings related to the initial inspections, scheduling of  
11 annual inspections, annual inspections, re-inspection for failed units after annual  
12 inspections, notification letters for annual inspections, attendance at hearings and  
13 abatement coordination related to annual inspections. CONTRACTOR'S fees also  
14 include all travel, per diem and other direct costs related to its Services. For purposes of  
15 this paragraph only, the term "inspections" shall mean any type of inspection pursuant to  
16 this Agreement including, but not limited to, initial inspections, annual inspections, re-  
17 inspections, special inspections and "No Show" or "Missed" inspections.

18 CONTRACTOR'S fees are based upon the total number of inspections conducted  
19 by CONTRACTOR, as follows:

20 Per Inspection Costs:

21	Schedule & Conduct Initial Inspection:	\$28.00 Each
22	Annual Inspection:	\$26.00 Each
23	Re-Inspection:	\$22.00 Each
24	Schedule & Conduct Special Inspection:	\$22.00 Each
25	No Show / Missed Inspection:	\$14.00 Each
26	Administration Remote:	\$6.75 Each plus postage
27	Administrative fee includes:	inspection administrative services, call center access,
28	forms, reports, letters, inspection scheduling, inspection reports, attendance at hearings,	



1 abatement coordination, and responding to queries from AUTHORITY clients. Costs of  
2 copying and stationery, are also included in this fee.

3 **3.3** CONTRACTOR shall be paid only in accordance with an invoice submitted  
4 to AUTHORITY by CONTRACTOR. AUTHORITY shall pay the invoice within thirty (30)  
5 working days from the date of receipt of the invoice. Payment shall be made to  
6 CONTRACTOR only after services have been rendered or delivery of materials or  
7 products, and acceptance has been made by AUTHORITY. Prepare invoices in  
8 duplicate. For this Agreement, send the original and duplicate copies of invoices to:

9  
10 Housing Authority of the County of Riverside  
11 5555 Arlington Avenue, Riverside, CA 92504  
12 ATTN: Jennifer Paz

13 **a)** The CONTRACTOR shall submit a monthly invoice for actual  
14 expenses incurred in providing the HQS Inspection Services along with  
15 appropriate documentation of expenditures (receipts, copies of checks  
16 issued, timecards, travel expense, etc.); remittance address; and an  
17 invoice total.

18 **b)** The Invoice must be submitted within five (5) working days of the  
19 end of the reporting period. Expenditures may not be reimbursed if all  
20 documentation is not received in a timely manner. Invoices shall be  
21 rendered monthly in arrears.

22 **c)** If the eligibility of expenditures cannot be determined because  
23 CONTRACTOR'S records or documentation are nonexistent or  
24 inadequate, according to generally accepted accounting practices, the  
25 questionable costs shall be disallowed by AUTHORITY.

26 **d)** If CONTRACTOR has provided services to AUTHORITY or its  
27 clients, as described in the Scope of Service, prior to the effective date of  
28 this Agreement or after the termination date of this Agreement, but within  
the same fiscal or calendar year as either date, and has all proper

1 documentation of such services as detailed above, AUTHORITY will allow  
2 reimbursement, in its sole discretion.

3 **3.4** AUTHORITY'S obligation for payment of this Agreement beyond the  
4 current fiscal year end is contingent upon and limited by the availability of AUTHORITY'S  
5 funding from which payment can be made. No legal liability on the part of AUTHORITY  
6 shall arise for payment beyond June 30 of each calendar year unless funds are made  
7 available for such payment. In the event that such funds are not forthcoming for any  
8 reason, AUTHORITY shall immediately notify CONTRACTOR in writing, and this  
9 Agreement shall be deemed terminated and have no further force and effect.  
10 CONTRACTOR shall not receive any fees for any day that CONTRACTOR does not  
11 conduct an inspection pursuant to this Agreement.

12 **3.5** CONTRACTOR acknowledges and agrees that this Agreement and the  
13 provision of services hereunder is nonexclusive and that the AUTHORITY may enter into  
14 similar agreements with other entities for the provision of similar services.

15 **3.6** The CONTRACTOR agrees that if, during the period of performance,  
16 AUTHORITY determines that the total Contracted Amount will not be expended,  
17 AUTHORITY, in its sole and absolute discretion, reserves the right to reduce the  
18 Contracted Amount, as determined by a review of CONTRACTOR'S invoices. Any  
19 reductions will be made in accordance with the terms outlined below in Paragraph 4  
20 and/or Paragraph 5.

21  
22 **4. Alteration or Changes to the Agreement**

23 **4.1** No alteration or variation of the terms of this Agreement shall be valid  
24 unless made in writing and signed by the parties hereto, and no oral understanding or  
25 agreement not incorporated herein shall be binding on any of the parties hereto. No  
26 additional services shall be performed by CONTRACTOR without a written amendment  
27 to this Agreement.

28 **4.2** CONTRACTOR understands that the Executive Director or designee are

1 the only authorized representatives who may at any time, by written order, make any  
2 alterations within the general scope of this Agreement.

3 **4.3** Reserved.

4 **4.4** If any new or additional HQS requirements or standards are adopted or  
5 required by the County of Riverside, the State of California, or the U.S. Government,  
6 during the term of this Agreement, those measures shall be considered the new  
7 standards and shall replace the relevant Scope of Service requirements upon written  
8 notice to the CONTRACTOR.

9 **4.5** Any claim by the CONTRACTOR for additional payment related to this  
10 Agreement shall be made in writing by the CONTRACTOR within 30 days of when the  
11 CONTRACTOR has or should have notice of any actual or claimed change in the Scope  
12 of Service, which results in additional and unanticipated cost to the CONTRACTOR. If  
13 the Contracting Officer decides that the facts provide sufficient justification, he may  
14 authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in  
15 this Paragraph 4 shall excuse the CONTRACTOR from proceeding with performance of  
16 the Agreement even if there has been a change in the Scope of Service.

17  
18 **5. Termination**

19 **5.1** AUTHORITY may, by written notice to CONTRACTOR, terminate this  
20 Agreement in whole or in part at any time. Such termination may be for AUTHORITY'S  
21 convenience or because of CONTRACTOR'S failure to perform its duties and obligations  
22 under this Agreement including, but not limited to, the failure of CONTRACTOR to timely  
23 perform services pursuant to this Agreement, including, but not limited to the Scope of  
24 Service attached hereto as Exhibit "A" and the Services.

25 **5.2 Discontinuance of Services.** Upon Termination, CONTRACTOR shall,  
26 unless otherwise directed by the notice, discontinue all services and deliver to  
27 AUTHORITY all data, estimates, graphs, summaries, reports, and other related materials  
28 as may have been prepared or accumulated by CONTRACTOR in performance of

1 services, whether completed or in progress.

2 **5.3** Effect of Termination for Convenience. If the termination is to be for the  
3 convenience of AUTHORITY, then AUTHORITY shall compensate CONTRACTOR for  
4 services satisfactorily provided through the date of termination. CONTRACTOR shall  
5 provide documentation deemed adequate by AUTHORITY to show the services actually  
6 completed by CONTRACTOR prior to the date of termination. This Agreement shall  
7 terminate thirty (30) days following receipt by CONTRACTOR of the written notice of  
8 termination.

9 **5.4** Effect of Termination for Cause. If the termination is due to the failure of  
10 CONTRACTOR to fulfill its obligations under this Agreement, CONTRACTOR shall be  
11 compensated for those services which have been completed in accordance with this  
12 Agreement and accepted by AUTHORITY. In such case, AUTHORITY may take over  
13 the work and prosecute the same to completion by contract or otherwise. Further,  
14 CONTRACTOR shall be liable to AUTHORITY for any reasonable additional costs  
15 incurred by AUTHORITY to revise work for which AUTHORITY has compensated  
16 CONTRACTOR under this Agreement, but which the AUTHORITY has determined in its  
17 sole discretion needs to be revised in part or whole to complete the project. Prior to  
18 discontinuance of services, AUTHORITY may arrange for a meeting with  
19 CONTRACTOR to determine what steps, if any, CONTRACTOR can take to adequately  
20 fulfill its requirements under this Agreement. In its sole discretion, AUTHORITY may  
21 propose an adjustment to the terms and conditions of the Agreement, including the  
22 contract price. Such contract adjustments, if accepted in writing by the parties, shall  
23 become binding on CONTRACTOR and shall be performed as part of this Agreement.  
24 In the event of termination for cause, unless otherwise agreed to in writing by the parties,  
25 this Agreement shall terminate seven (7) days following the date the notice of termination  
26 was mailed to CONTRACTOR. Termination of this Agreement for cause may be  
27 considered by AUTHORITY in determining whether to enter into future agreements with  
28 CONTRACTOR.

1           **5.5** Notwithstanding any of the provisions of this Agreement, CONTRACTOR'S  
2 rights under this Agreement shall terminate (except for fees accrued prior to the date of  
3 termination) upon dishonesty, or a willful or material breach of this Agreement by  
4 CONTRACTOR, or in the event of CONTRACTOR'S unwillingness or inability for any  
5 reason whatsoever to perform the duties hereunder, or if the Agreement is terminated  
6 pursuant to this Paragraph 5. In such event, CONTRACTOR shall not be entitled to any  
7 further compensation under this Agreement.

8           **5.6** If this Agreement is federally or State funded, CONTRACTOR cannot be  
9 debarred from the System for Award Management (SAM). CONTRACTOR must notify  
10 AUTHORITY immediately of a debarment. Reference: System for Award Management  
11 (SAM) at <https://www.sam.gov> for the Central Contractor Registry (CCR), Federal  
12 Agency Registration (FedReg), Online Representations and Certifications Application,  
13 (ORCA) and Excluded Parties List System (EPLS). (Executive Order 12549, 7 CFR Part  
14 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM)  
15 is the Official U.S. Government system that consolidated the capabilities of CCR,  
16 FedReg, ORCA, and EPLS.

17           **5.7** The rights and remedies of AUTHORITY provided in this Paragraph 5 shall  
18 not be exclusive and are in addition to any other rights and remedies provided by law or  
19 this Agreement.

20  
21 **6. Ownership/Use of Contract Materials and Products**

22 CONTRACTOR agrees that all materials, reports, or products in any form, including  
23 electronic, created by CONTRACTOR for which CONTRACTOR has been compensated  
24 by AUTHORITY pursuant to this Agreement shall be the sole property of AUTHORITY.  
25 The material, reports or products may be used by the AUTHORITY for any purpose that  
26 AUTHORITY deems to be appropriate, including, but not limit to, duplication and/or  
27 distribution within AUTHORITY or to third parties. CONTRACTOR agrees not to release  
28

1 or circulate in whole or part such materials, reports, or products without prior written  
2 authorization of AUTHORITY.

3  
4 **7. Conduct of Contractor**

5 **7.1** CONTRACTOR covenants that it presently has no interest, including but  
6 not limited to, other projects or independent contracts, and shall not acquire any such  
7 interest, direct or indirect, which would conflict in any manner or degree with the  
8 performance of services required under this Agreement. CONTRACTOR further  
9 covenants that in the performance of this Agreement, no person having any such interest  
10 shall be employed or retained by it under this Agreement. CONTRACTOR agrees to  
11 inform AUTHORITY of all CONTRACTOR'S interests, if any, which are or may be  
12 perceived as incompatible with AUTHORITY'S interests.

13 **7.2** CONTRACTOR shall not, under circumstances which could be interpreted  
14 as an attempt to influence the recipient in the conduct of his/her duties, accept any  
15 gratuity or special favor from individuals or firms with whom CONTRACTOR is doing  
16 business or proposing to do business, in accomplishing the work under this Agreement.

17 **7.3** CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and  
18 entertainment directly or indirectly to AUTHORITY employees.

19 **7.4** CONTRACTOR agrees to submit to AUTHORITY, prior to release, copies  
20 of any proposed publicity pertaining to this Agreement. AUTHORITY reserves the right  
21 to modify or withdraw said publicity, in its sole and absolute discretion.

22  
23 **8. Inspection of Service; Quality Control/Assurance**

24 **8.1** All performance (which includes services, workmanship, materials,  
25 supplies and equipment furnished or utilized in the performance of this Agreement) shall  
26 be subject to inspection and test by AUTHORITY or other regulatory agencies at all  
27 times. The CONTRACTOR shall provide adequate cooperation to AUTHORITY  
28 representative(s) to permit him/her to determine CONTRACTOR'S conformity with the

1 terms of this Agreement. If any services performed or products provided by  
2 CONTRACTOR are not in conformance with the terms of this Agreement, AUTHORITY  
3 shall have the right to require CONTRACTOR to perform the services or provide the  
4 products in conformance with the terms of the Agreement at no additional cost to  
5 AUTHORITY. When the services to be performed or the products to be provided are of  
6 such nature that the difference cannot be corrected, AUTHORITY shall have the right to:  
7 (1) require CONTRACTOR immediately to take all necessary steps to ensure future  
8 performance in conformity with the terms of the Agreement; and/or (2) reduce the  
9 Agreement price to reflect the reduced value of the services performed or products  
10 provided. AUTHORITY may also terminate this Agreement for default and charge to  
11 CONTRACTOR any costs incurred by AUTHORITY because of CONTRACTOR'S failure  
12 to perform.

13 **8.2** CONTRACTOR shall establish adequate procedures for self-monitoring to  
14 ensure proper performance under this Agreement; and shall permit AUTHORITY  
15 representative(s) to monitor, assess or evaluate CONTRACTOR'S performance under  
16 this Agreement at any time upon reasonable notice to CONTRACTOR.

17  
18 **9. Independent Contractor/Employment Eligibility**

19 **9.1** CONTRACTOR is, for purposes relating to this Agreement, an  
20 independent contractor and shall not be deemed an employee of AUTHORITY. It is  
21 expressly understood and agreed that CONTRACTOR (including its employees, agents,  
22 and subcontractors) shall in no event be entitled to any benefits to which AUTHORITY  
23 employees are entitled, including but not limited to overtime, any retirement benefits,  
24 worker's compensation benefits, and injury leave or other leave benefits. There shall be  
25 no employer-employee relationship between the parties, and CONTRACTOR shall hold  
26 AUTHORITY harmless from any and all claims that may be made against AUTHORITY  
27 based upon any contention by a third party that an employer-employee relationship  
28 exists by reason of this Agreement. It is further understood and agreed by the parties

1 that CONTRACTOR in the performance of this Agreement is subject to the control or  
2 direction of AUTHORITY merely as to the results to be accomplished and not as to the  
3 means and methods for accomplishing the results.

4 **9.2** CONTRACTOR warrants that it shall make its best effort to fully comply  
5 with all federal and state statutes and regulations regarding the employment of aliens  
6 and others and to ensure that employees performing work under this Agreement meet  
7 the citizenship or alien status requirement set forth in federal statutes and regulations.  
8 CONTRACTOR shall obtain, from all employees performing work hereunder, all  
9 verification and other documentation of employment eligibility status required by federal  
10 or state statutes and regulations including, but not limited to, the Immigration Reform and  
11 Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be  
12 hereafter amended. CONTRACTOR shall retain all such documentation for all covered  
13 employees, for the period prescribed by the law.

14  
15 **10. Subcontract for Work or Services**

16 No contract shall be made by CONTRACTOR with any other party for furnishing  
17 any of the work or services under this Agreement without the prior written approval of  
18 AUTHORITY, but this provision shall not require the approval of contracts of employment  
19 between CONTRACTOR and personnel assigned under this Agreement, or for parties  
20 named in the proposal and agreed to under this Agreement.

21  
22 **11. Disputes**

23 **11.1** The parties shall attempt to resolve any disputes amicably at the working  
24 level. If that is not successful, the dispute shall be referred to the senior management of  
25 the parties. Any dispute relating to this Agreement which is not resolved by the parties  
26 shall be decided by the Contracting Officer who shall furnish the decision in writing. The  
27 decision of the Contracting Officer shall be final and conclusive unless determined by a  
28 court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so



1 grossly erroneous as necessarily to imply bad faith. CONTRACTOR shall proceed  
2 diligently with the performance of this Agreement pending the resolution of a dispute.

3 **11.2** Prior to the filing of any legal action related to this Agreement, the parties  
4 shall be obligated to attend a mediation session in Riverside County before a neutral  
5 third party mediator. A second mediation session shall be required if the first session is  
6 not successful. The parties shall share the cost of the mediations. Each party shall be  
7 responsible for its own legal fees and other expenses incident to the preparation for  
8 mediation.

9  
10 **12. Licensing and Permits**

11 CONTRACTOR shall comply with all State or other licensing requirements,  
12 including but not limited to the provisions of Chapter 9 of Division 3 of the Business and  
13 Professions Code. All licensing requirements shall be met at the time proposals are  
14 submitted to AUTHORITY. CONTRACTOR warrants that it has all necessary permits,  
15 approvals, certificates, waivers and exemptions necessary for performance of this  
16 Agreement as required by the laws and regulations of the United States, the State of  
17 California, the County of Riverside and all other governmental agencies with jurisdiction  
18 and shall maintain these throughout the term of this Agreement.

19  
20 **13. Data Security**

21 **13.1 Definitions:** Capitalized terms used herein shall have the meanings set  
22 forth in this Paragraph 13.

23 “Authorized Employees” means CONTRACTOR’S employees who have a need  
24 to know or otherwise access Personal Information to enable CONTRACTOR to perform  
25 its obligations under this Agreement.

26 “Authorized Persons” means (i) Authorized Employees; and (ii) CONTRACTOR’S  
27 subcontractors, agents, and auditors who have a need to know or otherwise access  
28 Personal Information to enable CONTRACTOR to perform its obligations under this

1 Agreement, and who are bound in writing by confidentiality obligations sufficient to  
2 protect Personal Information in accordance with the terms and conditions of this  
3 Agreement.

4 “Highly-Sensitive Personal Information” means an (i) individual’s government-  
5 issued identification number (including social security number, driver’s license number  
6 or state-issued identified number); (ii) financial account number, credit card number,  
7 debit card number, credit report information, with or without any required security code,  
8 access code, personal identification number or password, that would permit access to  
9 an individual’s financial account; or (iii) biometric or health data.

10 “Personal Information” means information provided to CONTRACTOR by or at  
11 the direction of AUTHORITY, or to which access was provided to CONTRACTOR by or  
12 at the direction of AUTHORITY, in the course of CONTRACTOR’S performance under  
13 this Agreement that: (i) identifies or can be used to identify an individual (including,  
14 without limitation, names, signatures, addresses, telephone numbers, e-mail addresses  
15 and other unique identifiers); or (ii) can be used to authenticate an individual (including,  
16 without limitation, employee identification numbers, government-issued identification  
17 numbers, passwords or PINs, financial account numbers, credit report information,  
18 biometric or health data, answers to security questions and other personal identifiers), in  
19 case of both subclauses (i) and (ii), including, without limitation, all Highly-Sensitive  
20 Personal Information. Business contact information is not by itself deemed to be  
21 Personal Information.

22 **13.2 Standard of Care:**

23 **A.** CONTRACTOR acknowledges and agrees that, in the course of its  
24 engagement by AUTHORITY, CONTRACTOR may receive or have access to Personal  
25 Information. CONTRACTOR shall comply with the terms and conditions set forth in this  
26 Agreement in its collection, receipt, transmission, storage, disposal, use and disclosure  
27 of such Personal Information and be responsible for the unauthorized collection, receipt,  
28 transmission, access, storage, disposal, use and disclosure of Personal Information

1 under its control or in its possession by all Authorized Employees/Authorized Persons.  
2 CONTRACTOR shall be responsible for, and remain liable to, AUTHORITY for the  
3 actions and omissions of all Authorized Persons that are not Authorized Employees  
4 concerning the treatment of Personal Information as if they were CONTRACTOR's own  
5 actions and omissions.

6 **B.** Personal Information is deemed to be Confidential Information of AUTHORITY  
7 and is not Confidential Information of CONTRACTOR. In the event of a conflict or  
8 inconsistency between this Section 13 and compliance with California law, the terms and  
9 conditions set forth in this Section 13 shall govern and control.

10 **C.** In recognition of the foregoing, CONTRACTOR agrees and covenants that it  
11 shall:

- 12 (i) keep and maintain all Personal Information in strict confidence, using such  
13 degree of care as is appropriate to avoid unauthorized access, use or disclosure;
- 14 (ii) use and disclose Personal Information solely and exclusively for the purposes  
15 for which the Personal Information, or access to it, is provided pursuant to the  
16 terms and conditions of this Agreement, and not use, sell, rent, transfer, distribute,  
17 or otherwise disclose or make available Personal Information for  
18 CONTRACTOR'S own purposes or for the benefit of anyone other than  
19 AUTHORITY, in each case, without AUTHORITY'S prior written consent; and
- 20 (iii) not, directly or indirectly, disclose Personal Information to any person other  
21 than its Authorized Employees/Authorized Persons, (an "Unauthorized Third  
22 Party"), without express written consent from AUTHORITY, unless and to the  
23 extent required by government authorities or as otherwise to the extent expressly  
24 required by applicable law, in which case, CONTRACTOR shall (i) use best efforts  
25 to notify AUTHORITY before such disclosure or as soon thereafter as reasonably  
26 possible; and (ii) require the Unauthorized Third Party that has access to Personal  
27 Information to execute a written agreement agreeing to comply with the terms and  
28 conditions of this Agreement relating to the treatment of Personal Information.

1           **13.3 Information Security:**

2           **A.** CONTRACTOR represents and warrants that its collection, access, use,  
3 storage, disposal and disclosure of Personal Information does and will comply with all  
4 applicable federal, state, privacy and data protection laws, as well as all other applicable  
5 regulations and directives.

6           **B.** At a minimum, CONTRACTOR'S safeguards for the protection of Personal  
7 Information shall include: (i) limiting access of Personal Information to Authorized  
8 Employees/Authorized Persons; (ii) securing business facilities, data centers, paper files,  
9 servers, back-up systems and computing equipment, including, but not limited to, all  
10 mobile devices and other equipment with information storage capability; (iii)  
11 implementing network, device application, database and platform security; (iv) securing  
12 information transmission, storage and disposal; (v) implementing authentication and  
13 access controls within media, applications, operating systems and equipment; (vi)  
14 encrypting Highly-Sensitive Personal Information stored on any mobile media; (vii)  
15 encrypting Highly-Sensitive Personal Information transmitted over public or wireless  
16 networks; (viii) strictly segregating Personal Information from information of  
17 CONTRACTOR or its other customers so that Personal Information is not commingled  
18 with any other types of information; (ix) implementing appropriate personnel security and  
19 integrity procedures and practices, including, but not limited to, conducting background  
20 checks consistent with applicable law; and (x) providing appropriate privacy and  
21 information security training to CONTRACTOR'S employees.

22  
23           **14. Non-Discrimination**

24           CONTRACTOR shall not discriminate in the provision of services, allocation of  
25 benefits, accommodation in facilities, or employment of personnel on the basis of ethnic  
26 group identification, race, religious creed, color, national origin, ancestry, physical  
27 handicap, medical condition, marital status or sex in the performance of this Agreement;  
28 and, to the extent they shall be found to be applicable hereto, shall comply with the

1 provisions of the California Fair Employment Practices Act (commencing with Section  
2 1410 of the Labor Code), the Federal Civil Rights Act of 1964 (P.L. 88-352), the  
3 Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.) and all other  
4 applicable laws or regulations.

5  
6 **15. Records and Documents**

7 CONTRACTOR shall make available, upon written request by any duly authorized  
8 Federal, State or County agency, a copy of this Agreement and such books, documents,  
9 and records as are necessary to certify the nature and extent of the CONTRACTOR'S  
10 costs related to this Agreement. All such books, documents and records shall be  
11 maintained by CONTRACTOR for at least five (5) years following termination of this  
12 Agreement and be available for audit by AUTHORITY. CONTRACTOR shall provide to  
13 AUTHORITY reports and information related to this Agreement as requested by  
14 AUTHORITY.

15  
16 **16. Confidentiality**

17 **16.1** CONTRACTOR shall not use for personal gain or make other improper use  
18 of privileged or confidential information which is acquired in connection with this  
19 Agreement. The term "privileged or confidential information" includes but is not limited to:  
20 unpublished or sensitive technological or scientific information; medical, personnel, or  
21 security records; anticipated material requirements or pricing/purchasing actions;  
22 AUTHORITY information or data which is not subject to public disclosure; AUTHORITY  
23 operational procedures; and knowledge of selection of contractors, subcontractors or  
24 suppliers in advance of official announcement.

25 **16.2** CONTRACTOR shall protect from unauthorized disclosure, names and  
26 other identifying information concerning persons receiving services pursuant to this  
27 Agreement, except for general statistical information not identifying any person.  
28 CONTRACTOR shall not use such information for any purpose other than carrying out

1 CONTRACTOR'S obligations under this Agreement. CONTRACTOR shall promptly  
2 transmit to AUTHORITY all third-party requests for disclosure of such information.  
3 CONTRACTOR shall not disclose, except as otherwise specifically permitted by this  
4 Agreement or authorized in advance in writing by AUTHORITY, any such information to  
5 anyone other than AUTHORITY. For purposes of this Paragraph 16, identity shall include,  
6 but not be limited to, name, date of birth, social security number, symbol, identifying  
7 number, or other identifying particulars assigned to the individual, such as finger or voice  
8 print or a photograph.

9 **16.3** CONTRACTOR is subject to and shall operate in compliance with all  
10 relevant requirements contained in the Health Insurance Portability and Accountability  
11 Act (HIPAA) for sensitive patient data protection. Companies that deal with protected  
12 health information (PHI) must have physical, network, and process security measures in  
13 place and follow them to ensure HIPAA Compliance. Covered entities (anyone providing  
14 treatment, payment, and operations in healthcare) and business associates (anyone who  
15 has access to patient information and provides support in treatment, payment, or  
16 operations) must meet HIPAA Compliance. Other entities, such as subcontractors and  
17 any other related business associates must also be in compliance with HIPAA and the  
18 related laws and regulations promulgated subsequent thereto.

19  
20 **17. Administration/Contract Liaison**

21 The Executive Director or designee, shall administer this Agreement on behalf of  
22 AUTHORITY and is authorized to take any and all actions on behalf of AUTHORITY as  
23 set forth herein and to terminate services in accordance with Paragraph 5 of this  
24 Agreement. Whenever a reference is made herein to an action or approval to be  
25 undertaken by AUTHORITY, the Executive Director, or designee, is authorized to act  
26 unless this Agreement specifically provides otherwise.

27  
28 **18. Notices**

1 All correspondence and notices required or contemplated by this Agreement shall  
2 be delivered to the respective parties at the addresses set forth below, or at such other  
3 address provided by a party in writing, and are deemed submitted one (1) day after their  
4 deposit in the United States Mail, postage prepaid:

5 **AUTHORITY**

6 Housing Authority of the County of Riverside  
7 5555 Arlington Avenue, Riverside, CA 92504  
8 Attention: Deputy Executive Director

9 **CONTRACTOR**

10 NMAI, LLC  
11 1810 Gillespie Way, Suite 202 El Cajon, California 92020  
12 Attention: Carrol M. Vaughan

13 **19. Force Majeure**

14 If either party is unable to comply with any provision of this Agreement due to  
15 causes beyond its reasonable control, and which could not have been reasonably  
16 anticipated, such as Acts of God, acts of war, civil disorders, or other similar acts, such  
17 party shall not be held liable for such failure to comply, provided the subject party  
18 provides written notice to the other party no later than five (5) days after the  
19 commencement of such force majeure event.

20 **20. EDD Reporting Requirements**

21 In order to comply with child support enforcement requirements of the State of  
22 California, AUTHORITY may be required to submit a Report of Independent  
23 Contractor(s) form **DE 542** to the Employment Development Department ("EDD").  
24 CONTRACTOR agrees to furnish the required data and certifications to AUTHORITY  
25 within 10 days of notification of award of Agreement when required by the EDD. This  
26 data will be transmitted to governmental agencies charged with the establishment and  
27 enforcement of child support orders. Failure of CONTRACTOR to timely submit the data  
28 and/or certificates required may result in the contract being award to another

1 CONTRACTOR. In the event a contract has been issued, failure of CONTRACTOR to  
2 comply with all federal and state reporting requirements for child support enforcement or  
3 to comply with all lawfully served Wage and Earnings Assignments Orders and Notice of  
4 Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any  
5 questions concerning this reporting requirement, please call (916) 657-0529.  
6 CONTRACTOR should also contact its local Employment Tax Customer Service Office  
7 listed in the telephone directory in the State Government section under "Employment  
8 Development Department" or access their Internet site at [www.edd.ca.gov](http://www.edd.ca.gov).

9  
10 **21. Hold Harmless/Indemnification**

11 **21.1** CONTRACTOR shall indemnify and hold harmless Community Action  
12 Partnership Riverside, the County of Riverside, its Agencies, Districts, Special Districts  
13 and Departments, their respective directors, officers, Board of Supervisors, elected and  
14 appointed officials, employees, agents and representatives (collectively, "Indemnified  
15 Parties") from any liability, claim, damage or action whatsoever, based or asserted upon  
16 any act or omission of CONTRACTOR, its officers, employees, subcontractors, agents  
17 or representatives arising out of or in any way relating to this Agreement, including but  
18 not limited to property damage, bodily injury, or death. CONTRACTOR shall defend, at  
19 its sole cost and expense, including but not limited to attorney fees, cost of investigation,  
20 defense and settlements or awards, the Community Action Partnership - Riverside, the  
21 County of Riverside, its respective Agencies, Districts, Special Districts and  
22 Departments, their respective directors, officers, Board of Supervisors, Board of  
23 Commissioners, elected and appointed officials, employees, agents and representatives  
24 in any such action or claim.

25 **21.2** With respect to any action or claim subject to indemnification herein by  
26 CONTRACTOR, CONTRACTOR shall, at its sole cost, have the right to use counsel of  
27 its own choice and shall have the right to adjust, settle, or compromise any such action  
28 or claim without the prior consent of AUTHORITY; provided, however, that any such



1 adjustment, settlement or compromise in no manner whatsoever limits or circumscribes  
2 CONTRACTOR'S indemnification of AUTHORITY and the Indemnified Parties.

3 **21.3** CONTRACTOR'S obligations hereunder shall be satisfied when  
4 CONTRACTOR has provided to AUTHORITY the appropriate form of dismissal (or  
5 similar document) relieving AUTHORITY from any liability for the action or claim involved.

6 **21.4** The specified insurance limits required in this Agreement shall in no way  
7 limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the  
8 AUTHORITY and Indemnified Parties.

9 **21.5** In the event there is conflict between this clause and California Civil Code  
10 Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such  
11 interpretation shall not relieve CONTRACTOR from indemnifying AUTHORITY to the  
12 fullest extent allowed by law. The indemnification and hold harmless obligations set forth  
13 in this Paragraph 21 shall survive the termination and expiration of this Agreement.

14  
15 **22. Insurance**

16 Without limiting or diminishing CONTRACTOR'S obligation to indemnify or hold  
17 AUTHORITY harmless, CONTRACTOR shall procure and maintain or cause to be  
18 maintained, at its sole cost and expense, the following insurance coverage during the  
19 term of this Agreement. As respects to the insurance section only, AUTHORITY herein  
20 refers to the Community Action Partnership - Riverside, the County of Riverside, its  
21 respective Agencies, Districts, Special Districts, and Departments, their respective  
22 directors, officers, Board of Supervisors, Board of Commissioners, employees, elected  
23 or appointed officials, agents or representatives as Additional Insureds.

24 **A. Workers' Compensation:**

25 If the CONTRACTOR has employees as defined by the State of California, the  
26 CONTRACTOR shall maintain statutory Workers' Compensation Insurance  
27 (Coverage A) as prescribed by the laws of the State of California. Policy shall  
28

1 include Employers' Liability (Coverage B) including Occupational Disease with  
2 limits not less than \$1,000,000 per person per accident. The policy shall be  
3 endorsed to waive subrogation in favor of AUTHORITY.

4 **B. Commercial General Liability:**

5 Commercial General Liability insurance coverage, including but not limited to,  
6 premises liability, unmodified contractual liability, products and completed  
7 operations liability, personal and advertising injury, and cross liability coverage,  
8 covering claims which may arise from or out of CONTRACTOR'S performance of  
9 its obligations hereunder. Policy shall name AUTHORITY as Additional Insured.  
10 Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined  
11 single limit. If such insurance contains a general aggregate limit, it shall apply  
12 separately to this agreement or be no less than two (2) times the occurrence limit.  
13

14 **C. Vehicle Liability:**

15 If vehicles or mobile equipment are used in the performance of the obligations  
16 under this Agreement, then CONTRACTOR shall maintain liability insurance for all  
17 owned, non-owned or hired vehicles so used in an amount not less than  
18 \$1,000,000 per occurrence combined single limit. If such insurance contains a  
19 general aggregate limit, it shall apply separately to this agreement or be no less  
20 than two (2) times the occurrence limit. Policy shall name the AUTHORITY as  
21 Additional Insureds.

22 **D. Professional Liability:**

23 If required, CONTRACTOR shall maintain Professional Liability Insurance  
24 providing coverage for the CONTRACTOR'S performance of work included within  
25 this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence  
26 and \$2,000,000 annual aggregate. If CONTRACTOR'S Professional Liability  
27 Insurance is written on a claims made basis rather than an occurrence basis, such  
28 insurance shall continue through the term of this Agreement and CONTRACTOR

1 shall purchase at his sole expense either:

- 2 1) An Extended Reporting Endorsement (also, known as Tail Coverage); or  
3 2) Prior Dates Coverage from new insurer with a retroactive date back to  
4 the date of, or prior to, the inception of this Agreement; or,  
5 3) Demonstrate through Certificates of Insurance that CONTRACTOR has  
6 maintained continuous coverage with the same or original  
7 insurer. Coverage provided under items; 1), 2) or 3) will continue as long  
8 as the law allows.

9 **E. General Insurance Provisions - All lines:**

10 1) Any insurance carrier providing insurance coverage hereunder shall be  
11 admitted to the State of California and have an A M BEST rating of not less  
12 than A: VIII (A:8) unless such requirements are waived, in writing, by the  
13 County of Riverside's Risk Manager. If the County's Risk Manager waives  
14 a requirement for a particular insurer such waiver is only valid for that  
15 specific insurer and only for one policy term.

16 2) The CONTRACTOR shall declare its insurance self-insured retention for  
17 each coverage required herein. If any such self-insured retention exceeds  
18 \$500,000 per occurrence each such retention shall have the prior written  
19 consent of the Risk Manager before the commencement of operations  
20 under this Agreement. Upon notification of self-insured retention  
21 unacceptable to AUTHORITY, and at the election of the County's Risk  
22 Manager, CONTRACTOR'S carriers shall either; 1) Reduce or eliminate  
23 such self-insured retention as respects this Agreement with AUTHORITY,  
24 or 2) Procure a bond which guarantees payment of losses and related  
25 investigations, claims administration, and defense costs and expenses.

26 3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to  
27 furnish AUTHORITY with either 1) a properly executed original Certificate(s)  
28

1 of Insurance and certified original copies of Endorsements effecting  
2 coverage as required herein, and 2) if requested to do so orally or in writing  
3 by the County's Risk Manager, provide original Certified copies of policies  
4 including all Endorsements and all attachments thereto, showing such  
5 insurance is in full force and effect. Further, said Certificate(s), and policies  
6 of insurance shall contain the covenant of the insurance carrier(s) that thirty  
7 (30) days written notice shall be given to the AUTHORITY prior to any  
8 material modification, cancellation, expiration or reduction in coverage of  
9 such insurance. In the event of a material modification, cancellation,  
10 expiration, or reduction in coverage, this Agreement shall terminate  
11 forthwith, unless the AUTHORITY receives, prior to such effective date,  
12 another properly executed original Certificate of Insurance and original  
13 copies of endorsements or certified original policies, including all  
14 endorsements and attachments thereto evidencing coverage's set forth  
15 herein and the insurance required herein is in full force and effect.

16 **CONTRACTOR shall not commence operations until the AUTHORITY**  
17 **has been furnished original Certificate(s) of Insurance and certified**  
18 **original copies of endorsements and if requested, review original of**  
19 **the policies of insurance including all endorsements and any and all**  
20 **other attachments as required in this Section. An individual authorized**  
21 **by the insurance carrier to do so on its behalf shall sign the original**  
22 **endorsements for each policy and the Certificate of Insurance. Upon**  
23 **AUTHORITY'S request, CONTRACTOR shall make available for**  
24 **inspection by County's Risk Manager, at a mutually agreeable**  
25 **location, copies of CONTRACTOR'S insurance policies.**

26 4) It is understood and agreed to by the parties hereto and the insurance  
27 company(s) that the CONTRACTOR'S insurance shall be construed as  
28 primary insurance, and the AUTHORITY'S insurance and/or deductible

1 and/or self-insured retentions' or self-insured programs shall not be  
2 construed as contributory.

3 5) If, during the term of this Agreement or any extension thereof, there is a  
4 material change in the Scope of Service or, there is a material change in  
5 the equipment to be used in the performance of the Scope of Service or,  
6 the term of this Agreement, including any extensions thereof, exceeds five  
7 (5) years; AUTHORITY reserves the right to adjust the types of insurance  
8 and the monetary limits of liability required under this Agreement, if in the  
9 County's Risk Manager's reasonable judgment, the amount or type of  
10 insurance carried by the CONTRACTOR has become inadequate.

11 6) CONTRACTOR shall pass down the insurance obligations contained  
12 herein to all tiers of subcontractors working under this Agreement.

13 7) The insurance requirements contained in this Agreement may be met  
14 with a program(s) of self-insurance acceptable to AUTHORITY.

15 8) CONTRACTOR agrees to notify AUTHORITY of any claim by a third  
16 party or any incident or event that may give rise to a claim arising from the  
17 performance of this Agreement.

18  
19 **23. General**

20 **23.1** CONTRACTOR shall not delegate or assign any interest in this Agreement,  
21 whether by operation of law or otherwise, without the prior written consent of  
22 AUTHORITY.

23 **23.2** Any waiver by AUTHORITY of any breach of any one or more of the terms  
24 of this Agreement shall not be construed to be a waiver of any subsequent or other  
25 breach of the same or of any other term of this Agreement. Failure on the part of  
26 AUTHORITY to require exact, full and complete compliance with any terms of this  
27 Agreement shall not be construed as in any manner changing the terms or estopping  
28 AUTHORITY from enforcement of the terms of this Agreement.

1           **23.3** In the event CONTRACTOR receives payment under this Agreement  
2 which is later disallowed by AUTHORITY for nonconformance with the terms of the  
3 Agreement, CONTRACTOR shall promptly refund the disallowed amount to  
4 AUTHORITY on request; or at its option, AUTHORITY may offset the amount disallowed  
5 from any payment due to CONTRACTOR.

6           **23.4** CONTRACTOR shall not provide partial delivery or shipment of services  
7 or products unless specifically stated in the Agreement.

8           **23.5** CONTRACTOR shall not provide any services or products subject to any  
9 chattel mortgage or under a conditional sales contract or other agreement by which an  
10 interest is retained by a third party. The CONTRACTOR warrants that it has good title to  
11 all materials or products used by CONTRACTOR or provided to AUTHORITY pursuant  
12 to this Agreement, free from all liens, claims, or encumbrances.

13           **23.6** Nothing in this Agreement shall prohibit AUTHORITY from acquiring the  
14 same type or equivalent equipment, products, materials, or services from other sources,  
15 when deemed by AUTHORITY to be in its best interest. AUTHORITY reserves the right  
16 to purchase more or less than the quantities specified in this Agreement.

17           **23.7** AUTHORITY agrees to cooperate with CONTRACTOR in the  
18 CONTRACTOR'S performance under this Agreement, including, if stated in the  
19 Agreement, providing the CONTRACTOR with reasonable facilities and timely access to  
20 AUTHORITY data, information and personnel.

21           **23.8** CONTRACTOR shall comply with all applicable Federal, State, and local  
22 laws and regulations. CONTRACTOR shall comply with all applicable AUTHORITY  
23 policies and procedures. In the event that there is a conflict between the various laws or  
24 regulations that may apply, CONTRACTOR shall comply with the more restrictive law or  
25 regulation.

26           **23.9** CONTRACTOR shall comply with all air pollution control, water pollution,  
27 safety and health ordinances, statutes, or regulations, which apply to performance under  
28 this Agreement.

1           **23.10** CONTRACTOR shall comply with all requirements of the Occupational  
2 Safety and Health Administration (OSHA) standards and codes as set forth by the U.S.  
3 Department of Labor and the State of California (Cal/OSHA).

4           **23.11** This Agreement shall be governed by the laws of the State of California.  
5 Any legal action related to the performance or interpretation of this Agreement shall be  
6 filed only in the Superior Court of the State of California located in Riverside, California,  
7 and the parties waive any provision of law providing for a change of venue to another  
8 location. In the event any provision in this Agreement is held by a court of competent  
9 jurisdiction to be invalid, void, or unenforceable, the remaining provisions will  
10 nevertheless continue in full force without being impaired or invalidated in any way.

11           **23.12** If any project produces patentable items, patent rights, processes, or  
12 inventions in the course of work under a Department of Labor (DOL) grant or agreement,  
13 the CONTRACTOR shall report the fact promptly and fully to AUTHORITY. AUTHORITY  
14 shall report the fact to the Grant Officer at DOL. Unless there is a prior agreement  
15 between AUTHORITY and the DOL or its representative on these matters, DOL shall  
16 determine whether to seek protection on the invention or discovery. DOL or its  
17 representative shall determine how the rights in the invention or discovery, including  
18 rights under any patent issued thereon, will be allocated and administered in order to  
19 protect the public interest consistent with the following Patent Policy found at 29 CFR  
20 95.36 and 29 CFR 97.34.

21           **23.13** Unless otherwise provided in the terms of this Agreement, when  
22 copyrighted material is developed in the course of or under this Agreement, the author  
23 and AUTHORITY are free to use the copyrighted material or to permit others to do so.  
24 AUTHORITY and the County of Riverside shall have a royalty-free, non-exclusive, and  
25 irrevocable license to produce, publish, and use and to authorize other to use all  
26 copyrighted material.

27           **23.14** The CONTRACTOR shall assure that funds provided by this Agreement  
28 must be used exclusively for activities that are authorized by AUTHORITY. Co-mingling

1 and/or diverting of funds to support the activities of other programs are not authorized.  
2 Documentation supporting expenditures will be kept on file at the CONTRACTOR office  
3 and made available at all times for audit and monitoring purposes for a period of no less  
4 than five (5) years after the AUTHORITY makes final payment and all pending matters  
5 are closed.

6 **23.15** The CONTRACTOR shall establish and implement appropriate internal  
7 management procedures to prevent fraud, abuse, and criminal activity. Further, the  
8 CONTRACTOR shall establish a reporting process to ensure that AUTHORITY is  
9 notified immediately of any allegation of fraud, abuse, or criminal activity or any  
10 suspected or proven fraud, abuse or criminal acts committed by staff or participants. If  
11 the allegation is of any emergency and/or fiscal nature, it shall be reported to the County  
12 of Riverside's Administration Unit at (951) 955-3100, and immediately thereafter, a  
13 written report shall be submitted to AUTHORITY. Proof of such report will be maintained  
14 in the CONTRACTOR'S file.

15  
16 **24. Reserved**

17  
18 **25. Nonliability of HACR Officials and HACR Employees**

19 No member, official employee, consultant, or volunteer of AUTHORITY shall be  
20 personally liable to the CONTRACTOR, or any successor in interest, in the event of any  
21 default or breach by the AUTHORITY for any amount which may become due to the  
22 CONTRACTOR or to its successor, or on any obligation under the terms of this  
23 Agreement.

24  
25 **26. No Third Party Beneficiaries**

26 The parties intend that no rights nor remedies be granted to any third party as a  
27 beneficiary of this Agreement or of any covenant, duty, obligation or undertaking  
28 established herein.



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**27. Entire Agreement**

This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions, and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

**28. Electronic Signatures**

In the event that any signature is delivered by facsimile or electronic transmission, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as though such facsimile or electronic signature page were an original thereof.

[Signatures on Next Page]

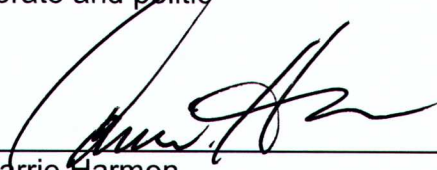
1 IN WITNESS WHEREOF, the parties hereto have caused their duly authorized  
2 representatives to execute this Agreement as of the dates set forth below:

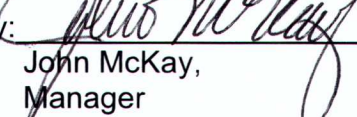
3  
4  
5 **AUTHORITY:**

6 HOUSING AUTHORITY OF THE  
7 COUNTY OF RIVERSIDE, a public entity  
8 corporate and politic

5 **CONTRACTOR:**

6 NMAI LLC, a California limited liability  
7 company

8  
9 By:   
10 Carrie Harmon,  
11 Deputy Executive Director

9 By:   
10 John McKay,  
11 Manager

12 Dated: 9/22/22

12 Dated: 7/26/22

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17 **APPROVED AS TO FORM:**

18 County Counsel

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21 By:   
22 Amrit Dhillon,  
23 Deputy County Counsel

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**EXHIBIT A**  
**SCOPE OF SERVICES**

NMAI, LLC, a California limited liability company (“CONTRACTOR”) shall provide the following services to the Housing Authority of the County of Riverside (“AUTHORITY”) as required in that certain Professional Services Agreement for HQS Inspection Services (“Agreement”):

1. CONTRACTOR shall, as required by applicable law or regulation, provide all required Housing Quality Standard (HQS) inspection and related administrative services for the 1200 Housing Choice Voucher (HCV) scattered sites and at all apartments within the 19 public housing sites, otherwise known as, “RAD Sites”, throughout Riverside County, (Collectively, the “Units”).

2. CONTRACTOR shall inspect all Units, including any additional Units identified by AUTHORITY at a later date, in accordance with Housing Quality Standards, as set forth in 24 CFR 982.401 and AUTHORITY policy.

3. All CONTRACTOR’S inspectors shall be fully trained, certified, and knowledgeable of the U.S. Dept. of Housing and Urban Development (HUD) protocol. Inspectors for these services must be certified by a reputable HUD-approved company/association, (e.g. Nan McKay, NAHRO, etc.).

4. CONTRACTOR shall provide completed inspection results to AUTHORITY and local HUD field office within the specified time frame as well as a completed inspection report/form for each inspection performed, if such is required by HUD and/or AUTHORITY.

5. CONTRACTOR shall provide all administrative services, including but not limited to; appointment notifications, results notifications, attendance at hearings, call center access and any re-inspection notifications.

6. AUTHORITY shall provide electronic tablets with software for each inspector. Inspection results should be downloaded at the main office each day.

7. AUTHORITY may add additional Units and/or low-income housing sites or remove Units and sites as needed, for HQS Inspections at any time. AUTHORITY shall notify CONTRACTOR in writing of any such additions or removals.

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**EXHIBIT B**  
**SACRAMENTO RFP for HQS INSPECTION SERVICE**  
**(behind this page)**



A Joint Powers  
Agency

**MEMBERS**

City of Sacramento

County of Sacramento

Housing Authority of the  
City of Sacramento

Housing Authority of the  
County of Sacramento

# **Sacramento Housing and Redevelopment Agency**

## **Request for Proposals**

**Housing Quality Standards Inspection Services**

**RFP #2201-DS**

**Issued: February 2, 2022**

**Submittal Deadline**

**5:00 p.m. PST – March 7, 2022**

**Pre-Proposal Meeting – 2:00 P.M. PST – Monday, February 18, 2022  
Via Zoom.**

**Pre-registration required for the meeting at:**

<https://shra-org.zoom.us/meeting/register/tZUtcu6grjliGdcP4yaDwoMwgxj2Nle5Mnu8>

**Copies of this RFQ may be obtained and submitted  
via the following PlanetBids link:**

<https://pbsystem.planetbids.com/portal/40356/bo/bo-detail/90513>

Sacramento Housing and Redevelopment Agency  
Procurement Services

Buyer: Darrin Samford  
Phone: 916-440-1344  
E-Mail: dsamford@shra.org

# **The Sacramento Housing and Redevelopment Agency**

## **Request for Proposals**

### **Housing Quality Standards Inspection Services**

**RFP # 2201-DS**

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# **Sacramento Housing and Redevelopment Agency**

## **Request for Proposals**

### **Housing Quality Standards Inspection Services**

**RFP # 2201-DS**

**Issued: February 2, 2022**

### **The Project**

#### **Introduction:**

The Sacramento Housing and Redevelopment Agency (SHRA), on behalf of the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento, is requesting proposals from firms interested in providing Housing Quality Standards (HQS) Inspection Services to SHRA. This solicitation is intended to provide inspection services for SHRA's rental assistance programs: Housing Choice Voucher (HCV) and Public Housing programs. The residential units to be inspected are located throughout the City and County of Sacramento.

The Sacramento Housing and Redevelopment Agency is a Joint Powers Authority (JPA) created as a public agency for the City and County of Sacramento in 1973. SHRA is the lead agency and developer for the City and County regarding affordable housing, community development, public housing and redevelopment projects. The Housing Authority (HA) provides affordable housing for a population of over 66,000 individuals through the Conventional Low Rent Public Housing Program, Housing Choice Voucher Program, Continuum of Care funds, and through selective use of tax credit and long term bond financed developments for very low and low-income families, seniors, and disabled individuals.

The Housing Choice Voucher (HCV) and Continuum of Care programs make privately owned properties affordable for over 12,600 very low-income families through rent subsidies paid to private owners. The Housing Authority must comply with requirements of the Department of Housing and Urban Development (HUD) in the administration of the HCV program. As such, Housing Quality Standards (HQS) are the HUD minimum quality standards for the tenant based program. All units occupied by HCV participants must meet this standard. To ensure that this requirement is met, inspections of units are conducted at the initial occupancy and annually or biennially during the term of the lease (depending on the HUD program guidelines). HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and contract.

## Scope of Services

### **Scope of Services and Performance Standards:**

The selected firm will be required to perform all annual and biennial Housing Quality Standards (HQS) inspections for the Housing Choice Voucher (HCV) program. At least 12,600 units will be inspected every 12 or 24 months, and 100% of such units shall be inspected within 12 or 24 months of their last inspection date as required by program regulations. Based on past experience approximately 20 – 40% of the units will require re-inspections due to failures noted during the annual inspection. It is the goal of the Housing Authority (HA) to work in concert with the selected firm to reduce the number of re-inspections through education and outreach to existing property owners.

The selected firm shall provide the following general services:

- Experienced Inspectors to complete HQS /Uniform Physical Condition Standards - Voucher (UPCS-V) inspections according to HUD guidelines. All inspectors shall be field experienced. Each inspector provided under this contract shall have completed sensitivity and sexual harassment training, shall be HQS certified and HUD certified on Visual Lead Paint assessment. Proof of certifications will be required of each inspector prior to commencement of work. All of the selected firm's field personnel, including any subcontractors, shall be required to submit to a criminal background investigation prior to being allowed to perform field work.
- Perform documented HQS and Uniform Physical Condition Standards (UPCS-V) Inspections for SHRA's rental assistance programs: HCV and conventional Public Housing programs.
- Schedule and reschedule appointments, as necessary to include notifying owner and tenants of scheduled inspections via US mail. Selected firm must also maintain a phone line available to clients for scheduling and customer service purposes.
- Well seasoned administrative staff person who provides excellent customer service to all clients. This includes returning all phone calls within 24-48 hours with documentation of the phone conversation in the Yardi database system; or 24 hours to return the call if it is regarding an emergency inspection.
- Conduct Rent Reasonableness Certifications as needed.
- Calculate utility allowance as needed.
- Conduct inspections on electronic tablets.
- Selected firm's staff must download inspection data from electronic tablets into Yardi (the software system used by the Housing Authority), file appropriate paperwork, and send paperwork to the HA's scan room for electronic filing. SHRA will provide an office area, with computer, electronic tablets, and access to copiers and fax machines, for the selected firm's staff to perform these duties. Data will be saved to the HA's electronic filing system (Open Work Desk) after being scanned and filed in a storage area located within the HCV department.



- Enter inspection data and HUD Form 50058 documentation into Yardi for transmission of the information to HUD.
- Maintain all records and documents as required by applicable Federal, State, and Local laws and regulations. All inspection related documents must be kept on the premises in accordance with a defined method set by the SHRA as follows:
  - 1) Paper inspection packets will be sent to the HA’s scan room for scanning and saved electronically on the HA’s electronic filing system.
  - 2) Electronic inspection data will be downloaded into Yardi.
  - 3) Storage method may be changed as needed.
- As needed, perform Initial and Special / Emergency Inspections for assisted units. These may include, but are not limited to the Housing Choice Voucher program, the Homeownership program, Continuum of Care programs or the Public Housing Program.
- The contractor shall schedule all annual and biennial inspections by notifying the tenant and owner of the inspection time and date between ten (10) and fifteen (15) calendar days before the scheduled inspection. The notice may provide no more than a four (4) hour window for the inspector's arrival. The scheduling activities performed by the contractor shall be the basis for the Administrative Cost (office supply and technology costs included) shown on the Fee Schedule – Attachment B.
- A courtesy call will be made to either the owner or tenant as requested.
- In the case of an apartment complex, the inspector will check with the office first to alert the owner/agent of their purpose and to gain access as necessary. If a tenant is not in the unit, the inspector should check in with the office to gain entry if possible
- The contractor may schedule and conduct initial move-in inspections and special / emergency inspections for assisted units as needed. In some instances, SHRA may schedule these inspections and offeror shall conduct the inspections. There are separate line items on the Fee Schedule – Attachment B where offeror is requested to provide fees for each of the scenarios noted above.
- Inspectors are to contact clients via telephone and wait at unit at least 10 minutes prior to leaving the premises because of a no-show. A notice will be affixed to the property detailing a unique property character and how long the inspector waited. A digital photo of the unit will also be taken by the inspector as proof that they were at the correct unit.
- Attach “most common fail list” to annual inspection appointment letters.
- As needed, attach flyers to the annual inspection appointment correspondence, such as a “beware” flyer that informs the family to verify that the inspector is an SHRA contracted inspector prior to allowing access to the unit.
- Provide an automated call reminder system, to remind tenants of inspection appointments. SHRA shall have final approval of the system the selected firm implements.

- In the case of failed smoke detectors, new batteries will be required. Once the clients have installed the batteries, inspectors must re-test the smoke detectors to ensure they pass prior to leaving the units.  
Inspectors may be required to install outlet covers in case of cracked or missing covers. SHRA will provide outlet covers.
- Inspectors shall verify that additional rooms, which were approved based on a reasonable accommodation (RA) for the family, are being used according to the RA request. When Inspectors determine there are violations of the RA request, the Inspectors shall be required to take digital pictures of these rooms and attach the pictures to the inspection packets. SHRA will provide cameras for this purpose.
- Inspectors will photograph units when performing move-in and move-out inspections (when damages are reported) for the Shelter Plus Care program (which totals approximately 600 units). SHRA will provide cameras for this purpose.
- Management and/or inspection staff must be available to attend informal or formal hearings (if necessary) as requested by SHRA staff.
- Selected firm's management staff shall be responsible for conducting quality control inspections to ensure internal compliance with mandated standards / regulations and to evaluate staff performance. Qualified SHRA personnel will also perform federally mandated quality control inspections throughout the year

SHRA shall provide selected firm's personnel with access to appropriate SHRA inspection and supervisory staff should unusual situations arise.

All inspectors and administrative contracted employees shall read the Contract Confidentiality Requirement related to 'Protecting Personally Identifying Information' document and sign that they have read and understood the document. Inspection contractors handle Personally Identifiable information (PII) which is defined as "..... information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometrics records etc., alone or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as state and place of birth, mother's maiden name, etc."

PII is that which, when lost, compromised or disclosed without authorization, could substantially harm an individual. As such, the contractor is required to inform SHRA by phone and through written notification within two hours of discovery that any section of this contract has been violated. Written notification must be sent to the appropriate Director and Program Manager and may be submitted by email.

#### **Administration and Management Services:**

The selected firm shall provide administrative services for the day-to-day operation of the inspection processes and direct supervision of the firm's staff.

### Administration

The category of Administration includes the scheduling of inspections, data entry, maintenance of inspection files, answering phone lines, providing excellent customer service to both owners and tenants, and generation of letters and notices.

Selected firm's contract administrator shall file schedules of inspections with SHRA at the beginning of the day.

Selected firm or SHRA management may suggest appropriate technology solutions to save time for contracted or SHRA administrative personnel, and such solutions shall be mutually agreed upon, in writing, thirty (30) days before implementation, unless waived by both parties.

### Management Services

Selected firm's Management Services responsibility is to provide direct oversight of firm's local staff. Additionally, services to be provided shall include management reports, billing accounts, communication and coordination with SHRA staff to address problems, seek improvements and enforcement of HUD regulations, and customer service to address problems or complaints from owners and tenants regarding inspections. Selected firm shall ensure that all certifications and training of their inspectors are current and valid at all times. They shall also document all training they provide for their inspectors. They must monitor the administrative staff's work to ensure that the appropriate tenants are being queued for inspections as part of the annual/biennial process and 100 percent of the portfolio of tenant's units are inspected during the HUD given time frame (either on an annual/biennial timeframe)

Selected firm's management staff shall be responsible for conducting quality control inspections to ensure internal compliance with mandated standards / regulations and to evaluate staff performance. Qualified HA personnel will also perform federally mandated quality control inspections throughout the year.

### Move-in Inspections

- Once RFTA approved, SHRA staff will notify Sterling's administrative personnel on need for inspection with attached necessary documents.
- Sterling immediately calls owner to schedule (no later than 4 hours after approval). Also gives the option to utilize waivers through 06-30-21
- Priority given to boutique programs used such as: FUP, SPC, VASH, FYI, Pathways, P3 or equivalent.
- Inspection is conducted and inspector returns documents to the SHRA office same day.
- Sterling administrative personnel would ensure inspection results are entered in Yardi within 24 hours
- Sterling administrative personnel ensures upload of inspection documents to ICN immediately.
- Sterling administrative personnel to follow-up on all fail items daily – paying close attention to the 10- day deadline.

### Special Inspections

- Sterling administrative personnel to:
  - respond to all Special Inspection request by contacting both landlord and tenant on the same day of the call.
  - schedule all Special inspection requests with both landlord and tenant

- Enter inspection results into Yardi within 24 hours
- Upload inspection packets to ICN within 24 hours
- Follow-up on all pending special inspection requests
- Work with SHRA Abatement Specialist on 24-hour and life-threatening fails.

#### Other Administrative tasks

- Sterling administrative personnel to:
  - Respond to all inspection calls within 24 hours of receipt
  - Provide a comprehensive voicemail with appropriate direction for participants and landlords, if unavailable to answer calls
  - Mail all inspection notices out timely following established SHRA policy

#### Quality Control

- Ongoing quality control review of inspectors by Sterling’s management personnel
- Ongoing quality control calls to tenants
- Quality control ride-along with inspectors by Sterling’s management personnel and;
- Create inspection demo video for SHRA website

#### **Liquidated Damages:**

Any inspection missed or performed outside of the time window given by the selected firm’s inspectors shall result in a fee reduction of \$250.00 per inspection.

#### **Legal Records**

Records must be maintained with respect to the equipment, contract agreements, and owners/tenants as necessary to satisfy governmental requirements regarding reporting, confidentiality and preservation of documents.

In order to preserve and enforce SHRA’s rights, all actions reasonably necessary to enforce contract agreements shall be referred to SHRA’s General Counsel for legal action when necessary.

#### **M/WBE and Section 3 Requirements**

M/WBE Outreach will be required of all rehabilitation/construction projects over the 9 covered units. Section 3 requirements are required as a result of the Federal Funding on this project

The Agency highly encourages participation by local qualified firms and organizations in all aspects of contracting. The Agency actively encourages participation of Small Business Enterprises (SBE), Minority and Women Owned Business Enterprises (M/WBE), and Section 3 businesses in all aspects of contracting.

Section 3 of the Housing and Urban Development Act of 1968 (Section 3), as amended (12 U.S.C. 1701u), requires the Agency to ensure that employment and other economic and business opportunities are directed to public housing residents and other low-income persons, to the greatest extent feasible; particularly recipients of government housing assistance, and business concerns that provide economic opportunities to low- and very low-income persons (Section 3 Residents).

The contract resulting from this solicitation is subject to Section 3 requirements. During the term of this contract, should the selected Contractor have the need to hire new employees, the Contractor shall make every effort to hire a Section 3 resident. The Contractor has the responsibility of demonstrating its efforts to hire Section 3 residents to meet hiring needs. The Agency will monitor Contractor's compliance with Section 3 requirements.

A sample of M/WBE and Section 3 documents are provided to you as a reference in Attachment E. Please return forms 00620 Declaration of Understanding and Authorization and Section 00630 Economic Opportunity

### **Insurance Requirements**

Complete SHRA Insurance Requirements are provided for your review as Attachment A.

### **Contract:**

It is the intent of SHRA to award two (2) contracts [one (1) for the HCV program and one (1) for the conventional Public Housing program] to one (1) firm for a period of two (2) year with the option to add three (3) additional one year periods. The additional periods are at the sole discretion of SHRA based on the selected firm's performance and SHRA needs. Prospective firms are advised to review the contract agreement and attachments before submitting their proposals. A sample contract is provided as Attachment D of this document.

### **Proposal Format:**

All submissions must be in standard sized (8.5" x 11") format, number each page. Proposals are not limited in length; however, conciseness is encouraged. Be sure to fully address each item listed below. To facilitate review by the Selection Committee, please submit information in accordance with the following format, identifying each item, in order, by the appropriate number. Number each page.

1. A cover letter introducing your firm, its location, history and experience with this type of work.
2. Provide a description that illustrates your understanding of the complete Scope of Services. This should include what your work flow process would be, beginning with notice to proceed through filing of all necessary paperwork and generating monthly status reports to HCV. Provide estimated time to complete each task.
3. Print out and complete **Attachment B – Fee Schedule** (pages 16 thru 20). These forms must be included with your submittal.
4. Provide three (3) references (within the past 2 years) and contact information for property owners and public agencies for whom you have performed comparable services.
5. Describe the automated "call reminder" system your firm would provide.
6. Provide a list of all key team members, with brief resumes, highlighting their previous experience on similar projects. Provide the name, title and contact information of the person that will be SHRA's designated point of contact. Should you intend to use subcontractors, provide the same information for all sub-contractors.

7. Project Management Approach - Describe how your team would meet timeframes, maintain expected output of inspections and guarantee the delivery of quality work. Describe how your team would work with the SHRA representatives and SHRA representatives can be prepared to work with you.
8. How many HQS and UPCS inspections has your firm performed, on average, on a daily/weekly/monthly basis over the last two (2) year period? What is your capacity to handle the volume of work and turnaround times?

**Selection Criteria:**

1. Based upon the information provided in the proposals, a Selection Committee will select the most qualified firm for this project
2. A Selection Committee will be established according to SHRA policy. Members of the Selection Committee will be provided copies of each complete proposal received. Each member will evaluate each submittal individually.
3. In order of priority, the written proposals will be evaluated based upon the following:
  - a. Understanding of Scope of Services and work flow processes
  - b. Fee proposal
  - c. References
  - d. Experience of firm and team members with comparable work
  - e. Project management approach
  - f. Demonstrated capacity to handle required volume
4. Review of the Proposals will follow the submittal deadline. It is anticipated that the Selection Committee will rank the firms directly from the written proposals. However, SHRA reserves the right to request clarifications or additional information from any or all firms. Additionally, if deemed necessary by the Selection Committee, oral interviews of the top ranked firms will be scheduled at a later date and final selection made after the interviews.
5. SHRA intends to award a contract to the firm which SHRA determines to be the most responsive to the requirements of the RFP and who can accomplish the requirements set forth in this RFP in a manner which is overall most advantageous to SHRA. In this context, considering technical expertise, experience, price and other factors, SHRA specifically reserves the right to award to a firm other than the one with the lowest cost proposal.
6. Should any offeror wish to protest the final selection, they shall have five (5) calendar days after the date of the selection letter to submit to SHRA a written protest. The written protest shall be full and complete; specifying in detail the grounds of the protest and the facts supporting the protest or it will not be considered. Any offeror who has a legitimate protest must provide evidence that the awarded offeror is not qualified. Protest letters are to be sent to:

Sacramento Housing and Redevelopment Agency  
Attn: Procurement and Contract Services Program Manager  
801 12<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Sacramento, CA 95814

All protests shall be resolved in accordance with SHRA’s protest policy and procedures, copies of which are maintained at SHRA and available upon request.

### **Selection Process Overview**

SHRA’s evaluation of firms will be based upon materials submitted in response to this RFP statement. To be considered in the selection process, each company must submit complete statements and related materials. The evaluation process is a three stage process as indicated below:

#### Stage 1:

A Selection Committee will be established according to SHRA’s policy.

Submittals will be received and evaluated to determine if all items requested were submitted. Copies of each complete submittal will be provided to each member of the Selection Committee.

#### Stage 2:

The Selection Committee will review each submittal individually. The Selection Committee may meet on one or more occasion to discuss the submittals. It is anticipated that the Selection Committee will rank the firms and make the final selection directly from the written submittals. However, SHRA reserves the right to request additional information or clarifications from any or all firms before completing an evaluation of the qualifications. Oral interviews of the firms determined most qualified for the project will be scheduled at a later date and final selection made after interviews. Scoring will be based on the average of the initial scoring and interview. Upon completion of this process the firms deemed most qualified for the project will be selected.

#### Stage 3:

If SHRA desires to enter into negotiations, they will do so with one or more proposers, at the selection committee’s sole discretion. If SHRA enters into negotiations and no agreement is reached, SHRA can negotiate with the other proposers or make no award under this RFP. SHRA reserves the right to award a contract, if any, without negotiations.

### **Evaluation Criteria**

Once a proposal is responsive, it will be evaluated and ranked according to the following criteria:

<u>Category</u>	<u>Maximum Points</u>
Understanding of Scope of Services and Work Flow Processes	20
Fee Proposal	10
Experience of Firm and Team Members with Comparable Work	15
Project Management Approach	15

Demonstrated Capacity to Handle Required Volume	20
References	10
Interview (If Necessary)	10
Total	100

**Award of Contract:**

After the Selection Committee has determined the final rankings, SHRA will begin to negotiate contracts with the top ranked firm. If SHRA is unable to negotiate a satisfactory agreement with the top ranked firm, it will undertake negotiations with the next ranked firm and so on until a satisfactory agreement can be reached. Prospective firms are advised to review the contract agreement and provisions provided with the RFP document (Attachment D), before submitting their proposals.

**Dispute Process**

For projects not selected that choose to dispute the Selection Committee's recommendation, a formal written protest must be sent to the Procurement Services Department at [ps@shra.org](mailto:ps@shra.org). The formal dispute must provide details specifically the grounds for the protest, including evidence and supporting documents. The dispute must be received within ten (10) calendar days from the date of denial letter.

**Submission Procedures, Requirements, Rating Factors and Selection Process**

**Contact**

All questions and requests for clarification, submittal procedures, requirements and selection procedures are to be submitted via PlanetBids no later than 11:00a.m. PST February 25, 2022, at the following link:

<https://pbsystem.planetbids.com/portal/40356/bo/bo-detail/90513>

Agency Contact:  
Darrin Samford – Procurement Services  
(916) 440-1344  
E-Mail: [dsamford@shra.org](mailto:dsamford@shra.org)

Inquiries regarding any aspect of this RFP must be submitted to PlanetBids. Written inquiries and replies will be furnished to all organizations by Procurement Services via PlanetBids. The Agency will not be responsible for oral or other explanations / interpretations of the RFP document or procedures outside of established Agency protocol. If it becomes necessary to revise any part of this RFP, an addendum to the RFP will be issued via PlanetBids.

**Communication regarding this RFP outside of PlanetBids or Procurement Services is expressly prohibited and will result in disqualification and no further consideration will be given to your proposal; this also includes but is not limited to communication with the Selection Committee**



## **Members, and Agency sponsoring department staff.**

### **RFP Timeline**

February 2, 2022	RFP Issued
February 18, 2022	Pre Proposal Conference 2:00p.m. PST
February 25, 2022	Questions due in writing by 11:00 a.m. PST
February 28, 2022	Responses to questions received posted by 5:00 p.m. PST
March 7, 2022	Proposals due by 5:00 p.m. PST

\*This RFP, RFI's and questions, responses to questions, any Addendum and other updates will be posted on PlanetBids at:

<https://pbsystem.planetbids.com/portal/40356/bo/bo-detail/90513>

\*\*Pre-Proposal Conference will be held via Zoom, the registration link is below:

<https://shra-org.zoom.us/meeting/register/tZUtcu6grjliGdcP4yaDwoMwqxj2Nle5Mnu8>

### **Time and Place for Submission of Proposals**

Organizations interested in providing services for this project shall closely examine the specific submittal requirements and submit their proposals via PlanetBids at:

<https://pbsystem.planetbids.com/portal/40356/bo/bo-detail/83362>

**All submittals must be received no later than 5:00 p.m. PST on Monday, March 7, 2022.** If the submission is incomplete or does not follow the submittal format, at the option of the Agency, shall be eliminated from consideration.

**PLANET BIDS NOTE:** When uploading your documents to PlanetBids, please allow sufficient time to complete the process: Once the clock turns 5:00 p.m. your submittal will not be accepted if you are in the process of uploading. For technical issues relating to your proposal upload, please contact PlanetBids Customer Service at (818) 992-1771.

After selection and award all information and materials provided in each proposal received is subject to disclosure through a Public Records Request pursuant to the California Public Records Act.

### **Agency Rights, Options, and Policies**

1. The Agency reserves the right to decide that one firm is more responsive than the others and to select after review of the written submittals only.
2. The Agency reserves the right to fund all, some or none of the respondents.
3. The Agency reserves the right to reject any and all submissions, request additional information, amend the project schedule, or issue additional requirements throughout the selection process. It is the responsibility of the consultant to verify that all necessary information is submitted by the due

date. Proposals which do not conform to all requirements expressed in this solicitation may be rejected without further evaluation, deliberation, or discussion.

4. The Agency reserves the right to modify any portion, postpone or cancel this RFP at any time, and/or reject any and all submissions without indicating any reason. No submission documents will be returned.
5. The Agency reserves the right to reject individual team members, firms, and request substitution without indicating any reason prior to contract award.
6. The Agency highly encourages participation by local qualified firms and contractors in all aspects of consultant contracting unless the project requires unusual or highly specialized services.
7. The Agency actively encourages participation of small, minority and women owned business enterprises in all aspects of contracting.
8. No compensation is offered for any work related to this selection process. Submissions are entirely voluntary. All original documents including electronic files become the property of the Agency. If any submission is late or incomplete in any way, that team will be eliminated from consideration.
9. Materials contained in each proposal will be considered proprietary until selection. Following selection, however, the contract scope of work may be amended by the Agency and negotiated.
10. In accordance with federal and state laws, the Agency does not discriminate on the basis of race, color, national origin, gender, sexual orientation, religion, age, veteran's status or disability in the provision of services.
11. Procured consultants / contractors will not be considered Agency personnel and the Agency assumes proposal of certain personnel to be a statement of their availability to do the work.
12. The Agency reserves the right to select more than one respondent, to select a respondent(s) for specific purposes or for any combination of specific purposes, and to defer the selection of any respondent(s) to a time of the Agency's choosing.

## INSURANCE REQUIREMENTS

### BASIC REQUIREMENTS

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

Any questions or concerns regarding insurance coverage should be discussed with SHRA's General Counsel or Risk Management. Work shall not proceed until insurance issues/ concerns are resolved.

During the term of the contract, the vendor shall maintain the following insurance coverage from insurance providers licensed to do business in California and having a Best's rating of at least A-VII, or a rating of such other rating service as the Agency, in its sole discretion, shall require.

#### Basic Requirements:

- Named certificate holder on all certificates of insurance shall be:  
**Sacramento Housing and Redevelopment Agency and Its Constituent Entities**  
**801 12<sup>th</sup> Street**  
**Sacramento, CA 95814**
- Certificates of Insurance shall include applicable endorsements. Insurance certificates shall not be accepted without the required endorsements. Further guidance of required endorsements is outlined below.
- Proper notification of cancellation of coverage is required. Contractors are required to provide notice of cancellation within ten (10) days for non-payment, and within thirty (30) days for all others.
  - Failure to maintain the required insurance coverage is a material breach of the Contract. Agency shall, nevertheless, have the right, without obligation, to pay any delinquent insurance premiums and any other charges to reinstate or maintain the required insurance policies and coverage. Vendor must immediately reimburse Agency for any and all costs incurred by Agency in obtaining or maintaining such insurance. If Agency does incur such costs, Agency shall have the right to withhold such amount from any payment due to the vendor under the Contract and to reduce the compensation payable to the vendor under the Contract by such amount.
- Any deductibles or self-insured retentions must be declared to and approved by the Agency.

The associated contract requires the following insurance:

- |   |                 |
|---|-----------------|
| <input type="checkbox"/> Construction Contract                | Refer to page 2 |
| <input type="checkbox"/> ITMS Contract                        | Refer to page 3 |
| <input type="checkbox"/> Service Contract and Supply Contract | Refer to page 4 |

## Attachment A

- Construction Contract
  - **Commercial General Liability:** A policy of comprehensive general liability insurance which shall include, without limitation, coverage for contractual liability, public liability and property damage, written for not less than the single limit liability coverage stated.
    - Requirements:
      - Limits shall be no less than:
        - \$1,000,000 per occurrence for all covered losses
        - \$2,000,000 general aggregate
      - Deductible shall be \$25,000 or less
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
        - ISO Form CG 20 10 or equal equivalent
        - IOS Form CG 20 37 or equal equivalent
    - Infrastructure Projects over one million dollars are subject to Agency General Counsel determination of alternate limits.
  - **Automobile Liability:** *Required if motor vehicles are used in performing services in connection with contract.* Contractor shall provide automobile liability coverage for owned, non-owned, and hired automobiles.
    - Requirements:
      - Limits shall be no less than: \$1,000,000 per accident
      - Deductible shall be \$5,000 or less
    - Requests:
      - Endorsements:
        - ISO Form CA 00 01 or equal equivalent
  - **Workers Compensation and Employers Liability Insurance:** California law requires a company to have Workers Compensation insurance if they have one (1) or more employees.
    - Requirements:
      - Limits shall be no less than \$1,000,000 per accident or disease.
      - Roofers are required to have Worker's Compensation for the owner. It does not matter whether or not the company has employees; the company must have Worker's Compensation, because the owner must be covered.
      - Coverage is required whether the employee is full-time, part-time, temporary, or a family member of the owner. All employees of a company as legally defined including corporate officers and directors must be included in the Worker's Compensation policy unless they are owners of the firm. An owner of a firm is defined as having a 25% interest in the firm.
  - **Product Liability or Excess Liability:** Required for contracts for work over \$5,000.
    - Contractor shall provide "all risk" coverage for the completed value of the project. Policies shall contain the following provisions:
      - (1) Agency shall be named as loss payee; and
      - (2) The insurer shall waive all rights of recovery against Agency

## Attachment A

- The Contractor shall obtain and maintain, during the term of the Contract, property insurance upon the Project at an amount equal to the full insurable value of the Project at all times.
- Information Technology Managed Services Contract
  - **Commercial General Liability:** A policy of comprehensive general liability insurance which shall include, without limitation, coverage for contractual liability, public liability and property damage, written for not less than the single limit liability coverage stated.
    - Requirements:
      - Limits shall be no less than:
        - \$1,000,000 per occurrence for all covered losses
        - \$2,000,000 general aggregate
      - Deductible shall be \$25,000 or less
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
        - ISO Form CG 20 10 or equal equivalent
    - Projects over one million dollars are subject to Agency General Counsel determination of alternate limits.
  - **Automobile Liability:** *Required if motor vehicles are used in performing services in connection with contract.* Contractor shall provide automobile liability coverage for owned, non-owned, and hired automobiles.
    - Requirements:
      - Limits shall be no less than: \$1,000,000 per accident
      - Deductible shall be \$5,000 or less
    - Requests:
      - Endorsements:  
ISO Form CA 00 01 or equal equivalent
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
  - **Workers Compensation and Employers Liability Insurance:** California law requires a company to have Workers Compensation insurance if they have one (1) or more employees.
    - Requirements:
      - Limits shall be no less than \$1,000,000 per accident or disease.
      - Coverage is required whether the employee is full-time, part-time, temporary, or a family member of the owner. All employees of a company as legally defined including corporate officers and directors must be included in the Worker's Compensation policy unless they are owners of the firm. An owner of a firm is defined as having a 25% interest in the firm.
  - **Cyber Liability:** *Required if PII attachment is included with contract. Required if service or product provided include electronic activities which may be vulnerable to data breaches of personal information.*
    - Requirements:
      - Limits shall be no less than: \$1,000,000 per claim
      - Policy shall include coverage through a third party as a cloud provider

## Attachment A

- Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security.
  - The policy shall provide coverage for breach response costs as well as regulatory fines and penalties, and credit monitoring expenses with limits sufficient to respond to these obligations.
- Service Contract and Supply Contract
- **Commercial General Liability:** A policy of comprehensive general liability insurance which shall include, without limitation, coverage for contractual liability, public liability and property damage, written for not less than the single limit liability coverage stated.
    - Requirements:
      - Limits shall be no less than:
        - \$1,000,000 per occurrence for all covered losses
        - \$2,000,000 general aggregate
      - Deductible shall be \$25,000 or less
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
        - ISO Form CG 20 10 or equal equivalent
    - Projects over one million dollars are subject to Agency General Counsel determination of alternate limits.
  - **Automobile Liability:** *Required if motor vehicles are used in performing services in connection with contract.* Contractor shall provide automobile liability coverage for owned, non-owned, and hired automobiles.
    - Requirements:
      - Limits shall be no less than: \$1,000,000 per accident
      - Deductible shall be \$5,000 or less
      - Deductible shall be \$5,000 or less
    - Requests:
      - Endorsements:  
ISO Form CA 00 01 or equal equivalent
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
  - **Workers Compensation and Employers Liability Insurance:** California law requires a company to have Workers Compensation insurance if they have one (1) or more employees.
    - Requirements:
      - Limits shall be no less than \$1,000,000 per accident or disease.
      - Coverage is required whether the employee is full-time, part-time, temporary, or a family member of the owner. All employees of a company as legally defined including corporate officers and directors

## Attachment A

must be included in the Worker's Compensation policy unless they are owners of the firm. An owner of a firm is defined as having a 25% interest in the firm.

- **Professional Liability:** Required for all professional services provided, including but not limited to: accountant, architect, attorney, claims administration firms, consultants, insurance brokers, engineers, financial advisors, or other person who maintains a professional license.
  - Limits shall be no less than:
    - \$1,000,000 per claim
    - \$1,000,000 aggregate
  - Contractor shall maintain professional liability insurance that insures against professional errors and omissions that may be made in performing the Services to be rendered in connection with this Agreement.
  - Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement, and Contractor agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.
- **Cyber Liability:** Required if PII attachment is included with contract. *Required if service or product provided include electronic activities which may be vulnerable to data breaches of personal information.*
  - Requirements:
    - Limits shall be no less than: \$1,000,000 per claim
    - Policy shall include coverage through a third party as a cloud provider
    - Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security.
    - The policy shall provide coverage for breach response costs as well as regulatory fines and penalties, and credit monitoring expenses with limits sufficient to respond to these obligations.

END OF SECTION

**Attachment B**

**Fee Schedule**

**Initial Contract - Year 1 and 2**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each
Schedule and Conduct Initial Move-In Inspection	\$ Each
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each
Re-Inspection	\$ Each
No-Show Inspection	\$ Each
Schedule and Conduct Special / Emergency Inspection	\$ Each
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ . \_\_\_\_\_ **Per Passed Inspection**



**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 3**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each
Schedule and Conduct Initial Move-In Inspection	\$ Each
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each
Re-Inspection	\$ Each
No-Show Inspection	\$ Each
Schedule and Conduct Special / Emergency Inspection	\$ Each
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ . \_\_\_\_\_ **Per Passed Inspection**

**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 4**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each
Schedule and Conduct Initial Move-In Inspection	\$ Each
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each
Re-Inspection	\$ Each
No-Show Inspection	\$ Each
Schedule and Conduct Special / Emergency Inspection	\$ Each
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ . \_\_\_\_\_ **Per Passed Inspection**

**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 5**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each
Schedule and Conduct Initial Move-In Inspection	\$ Each
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each
Re-Inspection	\$ Each
No-Show Inspection	\$ Each
Schedule and Conduct Special / Emergency Inspection	\$ Each
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ . \_\_\_\_\_ **Per Passed Inspection**

## Instructions to Offerors Non-Construction

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing



### 1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

### 2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

### 3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

### 4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

### 5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

### 6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

## Attachment C

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

### 7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and
- (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

### 8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

### 9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]



**CONTRACT  
For  
[Housing Quality Standards Inspection Services]**

Effective Date:

AS OF THE ABOVE-WRITTEN "EFFECTIVE DATE", AND IN CONSIDERATION OF THEIR MUTUAL OBLIGATIONS, AGENCY AND CONTRACTOR (DEFINED BELOW) ENTER INTO THIS "CONTRACT" AND AGREE AS FOLLOWS:

1. "Agency" is/are the following selected agency/agencies, which are public bodies, corporate and politic, and which has/have the address of 801 12<sup>th</sup> Street, Sacramento, California 95814:

SELECT		AGENCY	
<input type="checkbox"/>	Housing Authority of the City of Sacramento	<input type="checkbox"/>	Housing Authority of the County of Sacramento
<input type="checkbox"/>	Sacramento Housing and Redevelopment Agency		

2. "Contractor" and Contractor's name and address for its principal place of business are the following:

Name	<input type="text"/>
Address	<input type="text"/>
DUNS #:	<input type="text"/>

Contractor is the following legal entity (select one):

<input type="checkbox"/> Sole Proprietor/Individual(s)	<input type="checkbox"/> Corporation	<input type="checkbox"/> Nonprofit Corporation	<input type="checkbox"/> General Partnership
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Limited Partnership	<input type="checkbox"/> Limited Liability Partnership	<input type="checkbox"/> Other: Local Government

Funding Source	CFDA#	Award #	Award Year	Jurisdiction	Amount
				<input type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Local	
				<input type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Local	
				<input type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Local	

3. "Scope of Work" for this Contract is the following. This contract is invalid unless this section is completed. In addition to the Scope of Work here, there may be a detailed Scope of Work attached if such attachment is written by Agency:

"PERFORMING PARTY"	"TASK/OBLIGATION":	"DEADLINE"
Contractor	<i>Scope of work or summary of scope of work</i>	
Contractor	"COMPLETION DATE": The date for completion of all of Contractor's Tasks/Obligations under this Contract	

Sample Contract

4. "Attachments" for this Contract are the following, which are incorporated in this Contract as if included in full in the body of this document:

ATTACHMENT NO. CHECK APPLICABLE BOX	DESCRIPTION OF ATTACHMENT (Attachments marked N/A or stricken are not included)
	Contract Provisions (This Contract is <i>invalid</i> without the Contract Provisions attachment)
<input type="checkbox"/> yes #__ <input type="checkbox"/> no	Federal Requirements
<input type="checkbox"/> yes #__ <input type="checkbox"/> no	CDBG and Other Federal Requirements
<input type="checkbox"/> yes #__ <input type="checkbox"/> no	Payments
<input type="checkbox"/> yes #__ <input type="checkbox"/> no	General Conditions for Limited Construction Work (If this Contract is for construction work, it is invalid without the General Conditions for Limited Construction Work attached.)
<input type="checkbox"/> yes #__ <input type="checkbox"/> no	Attachment for Architectural Services (If this Contract is for architectural services, it is <i>invalid</i> without the Attachment for Architectural Services attached.)
<input type="checkbox"/> yes #__ <input type="checkbox"/> no	Personal Identifying Information Attachment
<input type="checkbox"/> yes #__ <input type="checkbox"/> no	Conflict of Interest Form
<input type="checkbox"/> yes #__ <input type="checkbox"/> no	Other

Unless expressly stated otherwise in paragraph 8 "Special Provisions" below, the Attachments shall supersede any provisions of this Contract with which they conflict. Furthermore, the provisions of Attachment 1 shall supersede any other Attachment with which it may conflict.

5. "Contract Price" is the maximum amount that Agency is required to pay Contractor under this Contract. The Contract Price for this Contract is as follows:

<b>CONTRACTOR PRICE</b>	
-------------------------	--

6. "Payment Schedule for this Contract is as follows:

SELECT ONE	DATE, TIME PERIOD OR PERFORMANCE TO BE COMPLETED AS CONDITION OF PAYMENT (Only one payment schedule is selected)	MAXIMUM AMOUNT OF PERIODIC PAYMENT:
	Monthly payments due on the ___ day of the month	\$ _____ per month ___% of Contract Price
	Quarterly payments due by the 30 <sup>th</sup> of the month following the previous quarter.	Stated in Attachment ___
	Per amounts and on dates stated in Attachment ___ Payment	Stated in attachment ___
	According to the following Schedule of Tasks, periodic payment upon Contractor's completion of respective task:	
		\$
		\$
		\$
		\$
	As billed by Contractor, for work actually performed and services actually provided	According to the fees and rates stated in Attachment ___ Payment
		Per the Scope of Work
	Upon completion of the work for actual work performed	Maximum Amount
	Allowed Reimbursable Expenses	
	Not to Exceed	

Sample Contract

Contractor shall not be reimbursed for expenses that are not specifically included in the Payment Schedule. Notwithstanding any other provision, reimbursable travel expenses shall not exceed the rates allowed by the Internal Revenue Service Standard Mileage Reimbursement and shall not include expenses for travel within a forty-five (45) mile radius of Agency’s place of business. Notwithstanding any other provision, reimbursable expenses shall not include any pro-rated overhead costs and expenses, facsimile or telecopier charges, copying costs (unless extraordinary and approved in advance by Agency), courier charges, local and long distance telephone charges, and ordinary office and business supplies.

Contractor shall submit, at minimum, quarterly status reports on the Tasks/Obligations funded by Agency that shall include the name, email address, and telephone number of Contractor’s contact person. Annual or closeout reports are due 30 days after the end of the calendar year. Agency shall have the right to audit such reports, including the right to review all records of Contractor related to such reports.

7. “Term” The term of this Contract shall be for a period of \_\_\_\_\_ beginning on the Effective Date and ending on \_\_\_\_\_ (the “Expiration Date”).

8. “Special Provisions” are the following provisions or additional recitals, which are a part of the contract only if approved by Agency counsel as indicated by the accompanying initials.

SPECIAL PROVISION	AGENCY COUNSEL

9. “Conflict of Interest” the following statement describes whether or not the contractor is required to file a Fair Political Practices Commission Conflict of Interest statement.

<input type="checkbox"/> yes <input type="checkbox"/> no   Contractor must file a Conflict of Interest Statement with Agency Clerk, unless this box is checked by Agency signatory indicating that Contractor is excluded from filing under the Agency Conflict of Interest Code.
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In no event shall any member, officer or employee of Contractor, or its designees or agents, have an interest, direct or indirect, in any contract or its proceeds, for work to be performed in connection with Agency program assisted under this Contract during his/her tenure or for one (1) year thereafter if such member, officer or employee of Contractor, or its designees or agents exercises any functions or responsibilities with respect to this Contract. Contractor must incorporate, or cause to be incorporated, in all of its subcontracts a provision prohibiting subcontractors from having or acquiring any interest in violation of this paragraph 9.

THIS CONTRACT IS EXECUTED in Sacramento, California as of the date first above written.

AGENCY:  
By:

CONTRACTOR:  
By:

Name:		Name:	
Title:		Title:	
		Tax ID Number:	



**CERTIFICATION OF AUTHORITY**

I certify under penalty of perjury under the laws of the State of California that I am fully authorized to execute the attached document for Contractor in the capacity I have stated, and that such execution is sufficient to bind Contractor. Executed in \_\_\_\_\_, California, on \_\_\_\_\_.

\_\_\_\_\_  
Contractor's Signatory

SAMPLE

## Attachment 1 Contract Provisions

1. **CONTRACT CONTENTS, PRECEDENCE AND DEFINITIONS.** This Contract consists of this Contract document and all of the Attachments named in this Contract. Except for matters required by law or expressly stated otherwise in paragraph 8 "Special Provisions", the provisions of the Attachments supersede any provisions of the body of this Contract with which they conflict. Furthermore, the provisions of Attachment 1, and any Federal Requirements attached to this Contract, supersede any other Attachment with which it may conflict; provided that the Federal Requirements shall supersede all conflicts that may exist anywhere in this Contract or its Attachments. Unless otherwise defined in this Attachment 1, capitalized terms shall have the definitions stated in this Contract.

2. **SCOPE OF WORK.** Notwithstanding the wording of the Scope of Work, unless a Task/Obligation is expressly described in the Scope of Work as one that is not mandatory, each Task/Obligation provided in the Scope of Work is the mandatory obligation of the Performing Party, and it must be completed on or before its respective Deadline. As the context indicates the Task/Obligation must be performed at or delivered to the Location stated in the Scope of Work.

3. **CONTRACT TERM AND TIME OF PERFORMANCE.** The "Contract Term" shall begin on the date of this Contract and shall end at 5:00 p.m. on the Expiration Date or upon completion of all Task/Obligation provided in the Scope of Work, whichever shall first occur.

a) Certain of the Contract requirements, as expressly stated in this Contract, shall survive the Term.

b) Contractor acknowledges that it is not entitled to compensation for any work done or costs incurred prior to the Effective Date or subsequent to the Expiration Date. This contract cannot be revived, amended or extended by agreement made after the Expiration Date.

4. **COMPENSATION, REIMBURSEMENT AND METHOD OF PAYMENT.** Notwithstanding any other provision of this Contract, the parties agree that the total compensation and reimbursement for all services and expenses required during the term of this Contract shall not exceed the Contract Price. Agency shall pay Contractor in the amounts and at the times specified in the Payment Schedule. Agency is not obligated to make any payment under this Contract for work Contractor has not yet performed or goods not delivered. Agency is not obligated to make any payment under this Contract for so long as Contractor is in material default of this Contract. Except as specified in writing in this Contract, Agency is not obligated or liable under this Contract to any party other than Contractor.

5. **INSURANCE COVERAGE REQUIREMENTS.** During the Term, Contractor must maintain the following insurance coverage from insurance providers licensed to do business in California and having an industry rating that is acceptable to Agency. Failure to maintain the required insurance is a material breach of this Contract. Before beginning any work under this Contract, Contractor must provide Agency with certificates of insurance or copies of the insurance policies demonstrating the required coverage, and the required endorsements naming "the Sacramento Housing and Redevelopment Agency and its constituent entities" as an additional insured. Contractor must ensure that such certificates and endorsements are in a form acceptable to Agency and reflect fulfillment of all of the requirements of this Contract. Contractor must ensure that the coverage afforded under the policies can only be canceled after thirty (30) days prior written notice to Agency of the pending cancellation. Contractor must mark such notice to the attention of Agency's Procurement Services Office at the following address:

SACRAMENTO HOUSING & REDEVELOPMENT AGENCY  
801 12<sup>th</sup> Street – Procurement Services (PS)  
Sacramento, California 95814

a) The required insurance coverage is the following: (i) Two Million Dollars (\$2,000,000) or more of comprehensive general liability coverage including, without limitation, coverage for contractual liability, public liability and property damage and having a deductible of Twenty-five Thousand Dollars (\$25,000) or less; (ii) if motor

## Sample Contract

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vehicles are used in connection with this Contract, Five Hundred Thousand Dollars (\$500,000) or more of automobile liability coverage having a deductible of Five Thousand Dollars (\$5,000 ) or less; and statutory limits or more of workers compensation coverage for all employees of Contractor and all others doing Contract work. The policies shall be endorsed to name the "the Sacramento Housing and Redevelopment Agency and its constituent entities" as an additional insured. The insurance afforded to such additional insured shall apply to the fullest extent permitted by law and shall be at least as broad as that afforded to the named insured.

b) Contractor will provide Agency with the cancellation clause and/or any amendatory endorsements that modify or change the policy cancellation clause of the insurance policies in force. It is Contractor's responsibility to notify Agency of any notice of cancellation, non-renewal or non-payment of premium in accordance with your policy provisions. In the event insurance is cancelled or not renewed, Contractor shall notify Agency within forty-eight (48) hours of such cancellation or non-renewal.

\_\_\_\_\_ **Contractor's Initials**

c) Contractor is in material breach of this Contract for so long as Contractor fails to maintain all of the required insurance. Agency has the right, but not the obligation, to pay any delinquent insurance premiums and any other charges to reinstate or maintain the required insurance policies and coverage. Upon Agency's demand, Contractor must immediately reimburse Agency for any and all costs incurred by Agency in so obtaining and/or maintaining insurance. If Agency does incur such costs, Agency shall have the right to withhold such amount from any payment due to Contractor under this Contract and to reduce the compensation payable to Contractor under this Contract by such amount.

**6. BILLING PROCEDURES AND CONDITIONS.** Agency must make the payments due under this Contract, as provided herein, subject to the following provisions:

a) Agency must pay the Contract Price in accordance with the Payment Schedule to Contractor for performance of Contractor's obligations under this Contract, or so much of the Contract Price as may be due for services actually performed and materials actually supplied by Contractor under this Contract. Agency is not required to make such payment more frequently than specified in the Payment Schedule. Contractor will not be paid for expenses or overhead as separate items of cost unless such items are specifically listed in the Payment Schedule, and then not to exceed the amounts so provided. In any event, Agency is not required to pay Contractor a total amount for goods, services and expenses which exceed the Contract Price.

b) Contractor may make requests for payment no later than 30 days after the Completion Date (the "Billing Date"), for Tasks/Obligations rendered on or before the Completion Date. Agency shall make payments due under this Contract for invoices submitted on or before the Expiration Date. Agency is not obligated to make payments to Contractor for invoices submitted after the Billing Date.

c) As a condition for payment, Contractor must submit invoices, in duplicate, not less than thirty (30) business days before the date of a requested payment. Such billing statements shall specify the dates on which the work was performed; the nature of the work performed; the percentage of the total work performed; the name of the individual performing each element of the work; the respective hourly billing rates; a list of all expenses for which reimbursement is sought; and the requested payment date.

d) Within ten (10) days following a written request received from Agency, Contractor must provide an invoice to Agency for all work performed as of the request date. Agency is entitled to make similar requests at intervals of not less than thirty (30) days following the initial request.

e) Contractor must submit its final invoice for all work under this Contract no later than the Billing Date.

**7. INDEMNIFICATION.** Except to extent of gross negligence or willful misconduct on the part of Agency, Contractor shall indemnify, hold harmless and defend, to the fullest extent permitted by law, the Housing Authority of the City of

**Sample Contract**

Sacramento, the Housing Authority of the County of Sacramento, the Sacramento Housing and Redevelopment Agency, the City of Sacramento and the County of Sacramento, their respective officers, directors, commissioners, advisory committee members, agents, and employees from liability, claims, demands, attorney's fees or litigation and related costs, including, without limitation, court costs and investigator, witness, arbitrator and mediator fees, for any injury or damages to persons or property resulting from Contractor's prosecution of work under this Contract, or otherwise related to this Contract, whether caused, in whole or part, by an intentional or negligent act or omission by Contractor, its officers, employees, or agents.

8. **NO WAIVER OF RIGHTS AND REMEDIES.** Agency's failure, at any time, to object to any breach of covenant or obligation, to any failure of performance, or to any other default on the part of Contractor shall not constitute a continuing waiver of subsequent breaches or defaults. Agency's making of any payment to Contractor shall not, under any circumstances, be considered a waiver by Agency. Agency's making of any payment while any breach or default by Contractor exists shall in no way impair any right or remedy available to Agency related to such breach or default, including, without limitation, the right to withhold future payments.

9. **HIRING OF OTHERS.** Unless consultants, specialists, experts or other third parties are listed in the Scope of Work, Contractor must not employ any of them or incur any obligation to pay any of them for services performed under this Contract without the prior written approval of Agency. Agency's written approval shall not create any obligation of Agency with regard to any such third party. Contractor has no authority to, and must not purport to, employ, hire or contract with any such third party as agent of Agency or otherwise on behalf of Agency.

10. **TERMINATION OF CONTRACT FOR CAUSE.** If either party fails to fulfill its obligations under this Contract in a timely and proper manner or violates any of the covenants, agreements, or stipulations of this Contract, and if such failure or violation is material and substantial, the other party shall have the right to immediately terminate this Contract by written notice to the defaulting party.

a) If Contractor defaults and Agency terminates the Contract, all finished or unfinished work, products, documents, electronic media, data, studies, artwork, renderings, models, software programs, and reports prepared by Contractor under this Contract shall, at the option of Agency, become property of Agency, upon payment to Contractor of just and equitable compensation for such work which is completed, reasonably satisfactory to Agency, and which Contractor has not already received payment for pursuant to the terms of the Contract. Agency's exercise of its option to own such properties does not relieve Contractor of liability to Agency for damages on account of Contractor's default, and Agency may withhold any payments to Contractor for the purpose of setoff until such time as the exact amount of damages due Agency from Contractor is determined.

b) If Agency defaults and Contractor terminates the Contract, upon Contractor's submission of the invoices and receipts required by this Contract, Agency must pay to Contractor an amount which bears the same ratio to the total compensation under this Contract as the Tasks/Obligations actually performed by Contractor bear to the total Tasks/Obligations of Contractor covered by this Contract, less payments of compensation previously made (for example, if the work is eighty percent complete, Agency must pay eighty percent of the compensation less any amounts previously paid for the work). In addition, Agency must reimburse Contractor for all unreimbursed expenses that are reimbursable under this Contract upon Contractor's submission of the invoices and receipts required by this Contract for reimbursement.

11. **TERMINATION FOR CONVENIENCE OF AGENCY.** Agency may immediately terminate this Contract, at any time and without cause, by a notice in writing from Agency to Contractor.

12. **CHANGES.** Agency may, from time to time, request changes in the Scope of Work to be performed by Contractor. Such changes, including any increase or decrease in Contractor's compensation, must be agreed to in writing by both Agency and Contractor.

13. **PERSONNEL, FACILITIES AND EQUIPMENT.** Contractor represents that it has, or will, secure at its sole cost and expense all personnel, facilities and equipment required in performing the Tasks/Obligations under this Contract. Such personnel must not be Agency employees or have any contractual relationship with Agency, except with Agency's

Sample Contract  
prior written approval.

a) All the Tasks/Obligations will be performed by Contractor or under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state and local law to perform the Tasks/Obligations.

b) No person who is serving a sentence in a penal or correctional institution shall be employed or work on this Contract.

14. **SUBCONTRACTING.** Contractor must not enter into any subcontract for performance of the Tasks/Obligations without the prior written consent of Agency. In any event, Contractor shall be as fully responsible to Agency for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by such subcontractors as Contractor is for the acts and omissions of persons it directly employs. In any event, Contractor must insert in each subcontract appropriate provisions requiring compliance with the labor standards provisions, insurance and other relevant provisions of this Contract.

15. **INTERESTS OF OFFICIALS.** No member of the governing body of Agency, and no officer, employee or agent of Agency who exercises any functions or responsibilities in connection with carrying out the Project to which this Contract pertains, shall have any personal interest, direct or indirect, in this Contract. No member of the governing body of the locality in which the Project is situated, and no other public official of such locality, who exercises any functions or responsibilities in the review or approval of the carrying out of the Project to which this Contract pertains shall have any personal interest, direct or indirect, in this Contract. If federal funds are expended by Agency for this Contract, no member of or delegate to the Congress of the United States, and no commissioner of Agency who meets the requirements of a tenant commissioner pursuant to Health and Safety Code section 34290(c), shall be admitted to any share or part of this Contract or to any benefit arising from this Contract. Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, in any portion of the Project to which this Contract pertains, or any other interest which would conflict in any manner or degree with the performance of its services under this Contract. Contractor further covenants that in the performance of this Contract no person having any such interest shall be employed by Contractor.

16. **CONFLICTS OF INTEREST STATEMENT.** Contractor shall, upon Agency request, complete and submit a conflict of interest statement to Agency in form approved by Agency.

17. **OWNERSHIP OF PROFESSIONAL AND TECHNICAL INFORMATION.** All professional and technical information, in the form of original designs, drawings, data, computations, specifications, report texts, estimates, writings, artwork, renderings, models, software programs, and any other material, data and information collected or developed in connection with the Tasks/Obligations under this Contract, and all original documents shall be forwarded to and become the sole property of Agency. Neither Contractor nor any of its associates or consultants shall have any rights or interest in such information, documents and material. Contractor and its associates and consultants may retain such copies or reproductions, at their sole cost and expense, of the original documents as necessary for their files, records and reference.

18. **NO INTELLECTUAL PROPERTY RIGHTS OR ARTIST'S RIGHTS IN CONTRACT WORK.** In no event, without the prior written approval of Agency, shall Contractor or any person or entity acting on behalf of Contractor obtain or hold, and to the contrary, expressly waives any rights, in law or in equity, in any intellectual property developed in furtherance of the Tasks/Obligations, including, without limitation, copyright, trademark, service mark, patent or rights of an artist in a work of art. Artists preparing any artwork under this Contract waive any rights to notice or to take any action regarding the use, removal, relocation or destruction of any artwork so prepared. Contractor represents and acknowledges that Contractor has or shall obtain such waivers in writing for all persons or entities performing the Tasks/Obligations under this Contract

19. **COMPLIANCE WITH LAWS.** Contractor must comply with all applicable laws, ordinances and codes of the federal, state and local governments, and must commit no trespass on any public or private property in performing the Tasks/Obligations.

20. **CHILD SUPPORT COMPLIANCE ACT.** If the Contract Price exceeds \$100,000, the following is acknowledged and agreed to by Contractor: (1) Contractor recognizes the importance of child and family support and shall fully comply with all applicable state and federal laws relating to child and family support enforcement orders, including but not limited to, disclosure of information and compliance with earnings assignment orders as provided in Chapter 8(commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and (2) Contractor, to the best of its knowledge, agrees to fully comply with the earnings assignment orders of all employees and to provide the names of all new employees to the New Hire Registry, maintained by the California Employment Development Department.

21. **ASSIGNABILITY.** Contractor is prohibited from assigning, and waives all rights to assign or transfer, any interest in this Contract without the prior written approval of Agency. Any purported assignment of any of Contractor's rights and obligations under this Contract without the prior written consent of Agency is *void ab initio* and is a material breach of this Contract.

22. **AGENCY COOPERATION.** Agency will reasonably cooperate with Contractor regarding this Contract. As and when requested by Contractor, Agency will furnish to Contractor any and all pertinent information which Agency may possess during the time of performance of Contractor's duties under this Contract.

23. **CONFIDENTIALITY.** All information prepared or assembled by Contractor under this Contract is confidential. Contractor must not make this information available to any individual or organization without the prior written approval of Agency. Contractor must immediately forward to Agency all requests for information related to this Contract made by a third party to Contractor. Contractor must not disclose or permit the disclosure of any confidential information of Agency, except to its agents, employees and other consultants, approved by Agency, who need such confidential information for the proper performance of their duties related to this Contract or on behalf of Agency.

24. **PRIVACY.** Contractor agrees to comply with the Federal Privacy Act of 1974 (the Act) and Agency rules and regulations issued under the Act

25. **CONTRACTOR'S STATUS.** Contractor, for all purposes under this Contract, is an independent contractor and must maintain any and all licenses required by law for the performance of Contractor's obligations under this Contract. Except as expressly stated in this Contract, Agency is prohibited from directing the methods of Contractor's work under this Contract, requiring Contractor's use of an Agency office for Contractor's performance or setting regular working hours for Contractor or Contractor's employees.

26. **CONTRACT CONSTRUCTION AND ENFORCEABILITY.** The existence, validity, construction and operation of this Contract, and all its representations, terms and conditions shall conform to the laws of the State of California, exclusive of its conflict of law rules. Throughout this Contract, the use of singular and plural forms, or the various gender forms, shall each include the other as the context may indicate. If any provision of this Contract is held, in whole or in part, to be unenforceable for any reason, the remainder of that provision and the entire Contract will be severable and remain in effect.

27. **NOTICES.** Any notices, invoices, or reports required by this Contract shall be sufficient if sent by certified mail by the parties through the United States Postal Service, postage paid, to the address of the other party as indicated in this Contract.

28. **ENTIRE CONTRACT.** This Contract contains the entire agreement of the parties. No other agreement, statement or promise made on or before the date of this Contract will be binding on the parties. No changes to this Contract are valid unless they are made by written amendment duly executed by the parties.

29. **VENUE.** Unless otherwise agreed in writing by the parties, the venue for all actions related to this Contract is Sacramento County, California.

**ATTACHMENT 2  
FEDERAL REQUIREMENTS**

The following provisions shall be applicable to this Agreement and binding on Contractor and Agency only if all or part of the funds to be paid for work performed under this Agreement are provided by the United States Department of Housing and Urban Development (other than Community Development Block Grant funds) or some other funding program of the federal government. In the event of a dispute as to the applicability of any of the following provisions to Contractor's work under this Contract, Agency's decisions shall be final.

1. **ANTI-KICKBACK RULES.** Monthly, or more often, Contractor must, without condition, pay the salaries of architects, draftsmen, technical engineers and technicians performing work under this Contract. Such payments shall be made without deduction or rebate, excepting only such payroll deductions as are mandatory by law or permitted by applicable regulations issued by the Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1937 (Title 18 U.S.C., Section 874). Contractor shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Contract to insure compliance by subcontractors with such regulations. Contractor shall be responsible for the submission of affidavits required of subcontractors under this Contract, except for such variations or exemptions as the Secretary of Labor may specifically allow.

2. **WORK HOURS.** Contractor must comply with the provisions of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§3701-3708) and must cooperate with Agency in implementing and enforcing the provisions of such Act. Among other requirements of the act, Contractor must pay not less than one and one-half times the basic rate of pay for the work of Contractor's employee in excess of eight hours in one day or forty hours in one week, in the performance of this Contract. Contractor must insert appropriate provisions in all subcontracts covering work under this Contract to insure compliance with such Act. Contractor must meet and cooperate with Agency's Labor Compliance officer to assure compliance with such Act.

3. **WITHHOLDING OF SALARIES.** If, in the performance of this Contract, there is any underpayment of salaries by Contractor or by any subcontractor, Agency must withhold from Contractor out of payments due to him any amount sufficient to pay employees underpaid the difference between the salaries required under this Contract to be paid and the salaries actually paid such employees for the total number of hours worked. The amounts withheld shall be disbursed by Agency for and on account of Contractor or subcontractor to the respective employees to whom they are due.

4. **CLAIMS AND DISPUTES PERTAINING TO SALARY RATES.** Claims and disputes pertaining to salary rates or to classification of architects, draftsmen, technical engineers and technicians performing work under this Contract must be promptly reported in writing by Contractor to Agency for the latter's decision which shall be final with respect thereto.

5. **EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS.**

i. Contractor will send to each labor union or representative of workers with whom he has a collective bargaining agreement or other contract or understanding, a notice to be provided by Agency, advising the labor union or workers' representative of Contractor's commitments under Section 202 of Executive order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

ii. Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

iii. Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by Agency and the Secretary of

Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

**6. ECONOMIC OPPORTUNITY EMPLOYMENT REQUIREMENTS.** The following is applicable to all contracts related to the project which is the subject of this Contract.

- i. The work to be performed under this Contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the area of the project.
- ii. The parties to this Contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this Contract.
- iii. The contract requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area.
- iv. The parties to this Contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- v. Contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this Employment Clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- vi. Contractor will include this Employment Clause in every subcontract for work in connection with the project.
- vii. Each Contractor or subcontractor undertaking work in connection with a Section 3 covered project must fulfill its obligation to utilize lower income project area residents as employees to the greatest extent feasible by:
  - (1) Identifying the number of positions in the various occupational categories including skilled, semi-skilled, and unskilled labor, needed to perform each phase of the Section 3 covered project;
  - (2) Identifying the positions described in Paragraph (1) of this Section, the number of positions in the various occupational categories which are currently occupied by regular, permanent employees;
  - (3) Identifying the positions described in Paragraph (1) of this Section, the number of positions in the various occupational categories which are not currently occupied by regular permanent employees;
  - (4) Establishing the positions described in Paragraph (3) of this Section, a goal which is consistent with the purpose of this subpart within each occupational category of the number of positions to be filled by lower income residents of the Section 3 covered project area; and



**Attachment D**

- (5) Making a good faith effort to fill all of the positions identified in Paragraph (4) of this Section with lower income project area residents, first and foremost, through the First Source Program.
- (6) Making a good faith effort to fill of the positions identified in Paragraph (4) of this Section with lower income project area residents.

7. **DAVIS-BACON ACT.** Unless expressly indicated otherwise in this Contract, if this Contract is for construction, alteration, or repair (including painting and decorating) of public buildings or public works, Contractor must comply with the provisions of the Davis-Bacon Act (40 U.S.C. 3142) and all rules, regulations and orders promulgated under said Act. Among other provisions, said act establishes minimum wages and fringe benefits; prohibits deductions or rebates from payments; provides for the withholding of funds to assure compliance with wage provisions; and provides for the termination of this Contract and debarment of the Contractor for failure so to comply.

8. **CONFLICT OF INTEREST.** No member, officer or any employee of Contractor, or its designees or agents, who exercises any functions or responsibilities with respect to the program during his tenure or for one (1) year thereafter, shall have an interest, direct or indirect, in any contract or its proceeds, for work to be performed in connection with the program assisted under this Contract. Contractor must incorporate, or cause to be incorporated, in all subcontracts a provision prohibiting such interest pursuant to the purposes of this Section.

9. **DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS.** No person employed on the work covered by this Contract shall be discharged or in any way discriminated against because he has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable to his employer under this Contract.

10. **RECORDS.** Contractor must keep all necessary books and records, including loan documentation and financial records, in connection with the operation and services performed under this Agreement, in accordance with the provisions of OMB Circular No. A-102 Attachment G (as amended), and must document all transactions as Agency may properly audit all expenditures made pursuant to this Contract. Contractor must maintain and preserve all records related to this Contract in its possession for a period of three (3) years from the effective date of this Contract, unless otherwise directed by Agency. All books, records and accounts kept by Contractor in connection with the performance of this Contract shall be made available for inspection by representatives of the federal government and/or Agency staff as required to monitor or audit the program.

11. **DRUG FREE WORKPLACE.** Contractor must comply with the Drug-Free Workplace Act of 1988 (final rule published on May 25, 1990) and Agency's policies and rules promulgated under the Act. Contractor must obtain such policies and rules from the Agency

12. **OTHER FEDERAL REQUIREMENTS.** Agency must provide Contractor with all relevant program information regarding the federal programs having jurisdiction over this Contract. Agency must assist Contractor in the interpretation of the requirements of such programs. Contractor shall be considered to be familiar with the requirements of such programs and shall comply with such requirements.

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INVESTING IN COMMUNITIES

**Sacramento Housing and Redevelopment Agency**

**And**

**Contractor:** \_\_\_\_\_

**Contract Confidentiality Requirement**

**Protecting Personally Identifying Information**

The Sacramento Housing and Redevelopment Agency (SHRA) is federally funded and subject to the requirements of the federal Privacy Act of 1974 and various California statutes protecting privacy including the California State Constitution. Any contractor, vendor, business or person conducting business with SHRA, and has access to personally identifying information, is required to meet the standards outlined in the Privacy Act, and any Public and Indian Housing (PIH) Notice issued by the U. S. Department of Housing and Urban Development which is the regulating Agency of SHRA and all applicable state laws.

This document is an attachment to the contract effective \_\_\_\_\_ between SHRA and \_\_\_\_\_, (herein referred to as “Contractor”). This document spells out the requirements that must be met by the “Contractor,” its sub-vendors, its employees, associates and persons who will have access to the Personally Identifying Information (PII) of a person who is/was an applicant to, current or former participant of any Housing Authority programs, or any current, past or future employee of SHRA.

**DEFINITIONS:**

Personally Identifying Information:

PIH Notice 2014-10 Privacy Protection Guidance for Third Parties: PII is defined as:

i) “. . . information which can be used to distinguish or trace an individual’s identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name, etc.”

ii) Sensitive Personally Identifiable Information. PII that when lost, compromised or disclosed without authorization could substantially harm an individual. Examples of sensitive PII include

social security or driver's license numbers, medical records, and financial account numbers such as credit or debit card numbers.

Privacy Act:

In accord with the Department of Justice, "The Privacy Act of 1974, 5 U.S.C. § 552a, establishes a code of fair information practices that governs the collection, maintenance, use, and dissemination of information about individuals that is maintained in systems of records by federal agencies. A system of records is a group of records under the control of an agency from which information is retrieved by the name of the individual or by some identifier assigned to the individual. The Privacy Act requires that agencies give the public notice of their systems of records by publication in the Federal Register. The Privacy Act prohibits the disclosure of a record about an individual from a system of records absent the written consent of the individual, unless the disclosure is pursuant to one of twelve statutory exceptions. The Act also provides individuals with a means by which to seek access to and amendment of their records, and sets forth various agency record-keeping requirements.

**BASIC REQUIREMENTS:**

The "Contractor" agrees to:

1. Comply with the requirements of the Privacy Act of 1974 and the requirement to protect PII as quoted from PIH Notice 2014-10 (and any subsequent PIH notices related to protecting PII that are released)
2. Impose the requirements of the Privacy Act of 1974 and PIH Notice 2014 and any subsequent notices on all of its employees, associates and persons who will have access to PII of a person who is/was an applicant, current or former participant of any Housing Authority programs, or any current, past or future employee of SHRA.
3. Participate in an initial and annual PII training to be conducted by SHRA or its assignee as a condition of the contract.
4. Immediately inform SHRA by phone AND through written notification when any section of this contract has been violated. Written notification must be sent to the appropriate Director and Program Manager for the program, and may be submitted by email.

**CONTRACTOR'S AGREEMENT:**

The "Contractor" agrees to:

i) Limit Collection of PII

(1) Not collect or maintain sensitive PII without proper authorization. Collect only the PII that is needed for the purposes for which it is collected.

ii) Manage Access to Sensitive PII

**Attachment D**

(1) Only share or discuss sensitive PII with those personnel who have a need to know for purposes of their work. Challenge anyone who asks for “ access to sensitive PII for which you are responsible.

(2) Do not distribute or release sensitive PII to other employees, contractors, or other third parties unless you are first convinced that the release is authorized, proper and necessary.

(3) When discussing sensitive PII on the telephone, confirm that you are speaking to the right person before discussing the information and inform him/her that the discussion will include sensitive PII.

(4) Never leave messages containing sensitive PII on voicemail.

(5) Avoid discussing sensitive PII if there are unauthorized personnel, contractors, or guests in the adjacent cubicles, rooms, or hallways who may overhear your conversations.

(6) Hold meetings in a secure space (i.e., no unauthorized access or eavesdropping possible) if sensitive PII will be discussed and ensure that the room is secured after the meeting.

(7) Treat notes and minutes from such meetings as confidential unless you can verify that they do not contain sensitive PII.

(8) Record the date, time, place, subject, chairperson, and attendees at any meeting involving sensitive PII.

iii) Protect Hard Copy and Electronic Files Containing Sensitive PII

(1) Clearly label all files containing sensitive PII by placing appropriate physical labels on all documents, removable media such as thumb drives, information systems, and application. Examples of appropriate labels might include —For Official Use Only || or —For (Name of Individual/Program Office) Use Only. ||

(2) Lock up all hard copy files containing sensitive PII in secured file cabinets and do not leave unattended.

(3) Protect all media (e.g., thumb drives, CDs, etc.,) that contain sensitive PII and do not leave unattended. This information should be maintained either in secured file cabinets or in computers that have been secured.

(4) Keep accurate records of where PII is stored, used, and maintained.

(5) Periodically audit all sensitive PII holdings to make sure that all such information can be readily located.

(6) Secure digital copies of files containing sensitive PII. Protections include encryption, implementing enhanced authentication mechanisms such as two- factor authentication and limiting the number of people allowed access to the files.

**Attachment D**

(7) Store sensitive PII only on workstations that can be secured, such as workstations located in areas that have restricted physical access.

iv) Protecting Electronic Transmissions of Sensitive PII via fax, email, etc.

(1) When faxing sensitive PII, use the date stamp function, confirm the fax number, verify that the intended recipient is available, and confirm that he/she has received the fax. Ensure that none of the transmission is stored in memory on the fax machine, that the fax is in a controlled area, and that all paper waste is disposed of properly (e.g., shredded). When possible, use a fax machine that uses a secure transmission line.

(2) Before faxing PII, coordinate with the recipient so that the PII will not be left unattended on the receiving end.

(3) When faxing sensitive PII, use only individually-controlled fax machines, not central receiving centers.

(4) Do not transmit sensitive PII via an unsecured information system (e.g., electronic mail, Internet, or electronic bulletin board) without first encrypting the information.

(5) When sending sensitive PII via email, make sure both the message and any attachments are encrypted.

(6) Do not place PII on shared drives, multi-access calendars, the Intranet, or the Internet.

v) Protecting Hard Copy Transmissions of Files Containing Sensitive PII

(1) Do not remove records about individuals with sensitive PII from facilities where SHRA information is authorized to be stored and used unless approval is first obtained from a supervisor. Sufficient justification, as well as evidence of information security, must be presented.

(2) Do not use interoffice or translucent envelopes to mail sensitive PII. Use sealable opaque solid envelopes. Mark the envelope to the person's attention.

(3) Do not allow employees, associates or persons to take PII documents home, but must return to the office of the "Contractor" or its Assignee

(4) When out in the field, PII information must be stored in the trunk

(5) PII Information must not be left in a car overnight.

(6) If any PII information must be transported by any mode of transportation, the PII information is secured and locked in the trunk of the vehicle or locked in a van. Files transported with PII information from the vehicle to the building must be in a sealed envelope or box. If information is being carried by a person it must be placed in a locked box.

**Attachment D**

(7) When using the U.S. postal service to deliver information with sensitive PII, double-wrap the documents (e.g., use two envelopes – one inside the other) and mark only the inside envelope as confidential with the statement —To Be Opened By Addressee Only.

vi) Records Management, Retention and Disposition

(1) Follow records management laws, regulations, and policies applicable within your jurisdiction.

(2) Ensure all of the ‘Contractor’s’ locations and all entities acting on behalf of the “Contractor” are managing records in accordance with applicable laws, regulations, and policies.

(3) Include records management practices as part of any scheduled oversight protocols.

(4) Do not maintain records longer than required.

(5) Destroy records after retention requirements are met.

(6) Dispose of sensitive PII appropriately – use cross-cut shredders or burn bags for hard copy records and permanently erase (not just delete) electronic records.

(7) The “Contractor should ensure that all of its employees, associates and persons who will have access to PII are familiar with reporting procedures.

vii) Promptly report all suspected compromises of sensitive PII related to the appropriate Director and Program Manager by phone AND in writing

**PENALTIES FOR NON-COMPLIANCE:**

SHRA Penalties: The contract to which this document is attached is subject to termination due to non-compliance or violation of either the Federal Privacy Act; the verified disclosure of PII or the failure to meet any of the requirements by the “Contractor” its employees, associates or persons within its agency. SHRA shall notify the “Contractor” in writing with at least 30 days notice of the contract termination

Civil Penalties: An individual can be held personally liable and may be fined up to \$5,000 for each offense, or imprisoned up to five years or both for failing to comply with the regulations governing the use and unauthorized access to PII.

**ACKNOWLEDGEMENT AND ACCEPTANCE:**

I acknowledge all of the terms listed within this document and accept all of the requirements stated herein.

\_\_\_\_\_

\_\_\_\_\_

Contractor Name

Contractor's Signature

\_\_\_\_\_

Date signed by Contractor

Ref: Contract effective: \_\_\_\_\_



## SECTION 00600 - SECTION 3 OVERVIEW

Section 3 of the U.S. Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) requires SHRA to ensure that employment and other economic opportunities are directed to public housing residents and other low-income persons, to the greatest extent feasible, particularly recipients of government housing assistance, and local businesses that provide economic opportunities to low- and very low-income persons and Section 3 Workers.

*Outlined below are minimum requirements to be met by the contractor and all subcontractors performing work on this project. The minimum requirements are triggered by federal regulations and SHRA policy and require active involvement by the contractor and subcontractors in soliciting local employees and contractors. Specifically, Section 3 of the Housing and Urban Development Act of 1968 as amended (12U.S.C. 1701u) and SHRA policy requires, to the greatest extent feasible, that economic opportunities be provided to Section 3 Workers and Section 3 Businesses.*

<b>SECTION 3 EMPLOYMENT GOALS</b>		
<b>Who Must Comply</b>	<b>Area of Focus</b>	<b>Goal</b>
Contractors	Section 3 Labor Hours	25% of all labor hours
Any Tier Subcontractors	Section 3 Labor Hours	25% of all labor hours

<b>SECTION 3 SUB-CONTRACTING GOALS</b>		
<b>Who Must Comply</b>	<b>Area of Focus</b>	<b>Goal</b>
Building trades work for maintenance, repair, modernization or development of public or Indian housing, or for building trades work arising in connection with housing rehabilitation, housing construction and other public construction	Subcontract Awards	25% of all labor hours
Any Tier Subcontractors	Subcontract Awards	25% of all labor hours
All other Section 3 covered contracts	Subcontract Awards	25% of all labor hours

Progressive sanctions may be imposed on any contractor / subcontractor found not to be in compliance or willfully disregards the requirements of Section 3 including cancellation, termination or suspension of the contract in whole or in part, and the contractor may be declared ineligible for further SHRA contract awards for a period of one to three years.

### **Definitions**

#### **Employment Opportunity**

Any job opening arising from SHRA contracts/projects, to include permanent, temporary or seasonal employment opportunities, including management and administrative jobs. Management and administrative jobs include architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups; and jobs directly related to administrative support of these activities (construction manager, relocation specialist, payroll clerk, etc.)



## Attachment E

### New Hire

An individual that is not employed by the contractor prior to the time the contract is executed (hired to specifically perform work on this project). New hires and jobs created (both union and nonunion) include all job openings and vacancies created as a result of retirement, voluntary separation, terminations and expansions of the workforce, as a result of a project funded by SHRA.

### Section 3 Resident

- (1) Public housing residents of City/County of Sacramento; or
- (2) Persons who live in the Local Area (within the boundaries of the City and County of Sacramento) where a HUD or SHRA assisted project is located and who is considered to be a low- to very-low income person (have a household income that falls below HUD's income limits). HUD income limits are provided below.

Review the chart below, match your household size (include yourself) with the **maximum** household income before taking this employment opportunity.

INCOME LIMITS – 2021								
Number in Household	1	2	3	4	5	6	7	8
Maximum Household Income	\$50,750	\$58,000	\$65,250	\$72,500	\$78,300	\$84,100	\$89,900	\$95,700

For example, if your household size is 3 and the total annual household income was \$55,000.00, you would fall within the income limits of the chart. From the chart above, the income was below the maximum for a family of 3 (\$65,250).

If the applicant's total household income is within the limits of the chart, that person is considered a Section 3 Worker.

### Section 3 Business

- (1) Be at least 51% owned by current low or very low income persons;
- (2) Over 75% of the labor hours performed by business are performed by low - or very low - income persons;
- (3) 51% of the business must be owned by current public housing residents that currently live in Section 8 assisted housing.

### Section 3 Covered Contract

A contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project.

### Section 3 Covered Project

The construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance or SHRA funds.

## Attachment E

### **Contractor & Subcontractor Obligations for Section 3 Compliance**

- (1) Demonstrate a good faith effort, to the greatest extent feasible, to utilize eligible/qualified Section 3 area residents as employees and trainees when new hires are needed.
- (2) Identify the number of positions, by classification/function, required to plan and complete the work to be done under the Section 3 covered project, this includes management and administrative personnel;
- (3) Determine how many of these positions are currently filled and which are not filled by regular, permanent employees.

### **Contractor & Subcontractor Actions to Demonstrate a Good Faith Effort**

The awarded contractor and all subcontractors on the Section 3 Covered Contract/Project are required to identify any new hire opportunity resulting from obtaining this contract. Prior to receiving the Notice to Proceed, the awarded contractor and all subcontractors shall provide to SHRA Procurement Services a complete Employee Roster and a completed/signed Section 3 Economic Opportunity Plan. If the awarded contractor and/or his subcontractors do not anticipate hiring anyone as a result of the contract, complete the bottom section of the form: "Notification of the Intent to Use Current Workforce."

Examples of actions demonstrating a good faith effort to employ Section 3 qualified residents and businesses include:

- (1) Advertise in local/neighborhood newspapers/publications.
- (2) Post opportunity flyers/notices in the common areas of SHRA 11 public housing communities.
- (3) Contact and post flyers/notices at the Sacramento County Business Information Centers, local and ethnic Chambers of Commerce, SBA, etc.
- (4) At the job site, post the job opportunity notice and the Section 3 poster where the public may reasonably view it.
- (5) Contact local job training centers, i.e. SETA or labor organizations.

### **Order of Preference for Hiring and Contracting**

#### **Order of Providing Training and Employment Opportunities to Section 3 Workers/Residents**

All contractors and any second tier subcontractor shall, to the greatest extent feasible, provide training and employment opportunities to Section 3 workers/residents to meet or exceed the 25% of the total labor hours for the project in the following order of priority:

- Priority 1: A resident of the SHRA housing site within the project area / neighborhood (i.e. Oak Park, Del Paso Heights, North Highlands, Rio Linda, etc.), or Resident Services Program;
- Priority 2: A resident of any SHRA housing site;
- Priority 3: All other Section 3 eligible workers in the City/County of Sacramento.

## Attachment E

### Order of Providing Preference for Section 3 Businesses in Contracting Opportunities

Contractors and subcontractors shall direct their efforts to award Section 3 covered contracts, to the greatest extent feasible, to Section 3 businesses in the order of priority provided below.

- Priority 1: Businesses that are 51 percent (51%) or more owned by residents of the housing site at which the Section 3 covered assistance is expended, or whose full-time, permanent workforce includes no less than 30 percent (30%) of these persons as employees;
- Priority 2: Businesses that are 51 percent (51%) or more owned by residents of other housing sites or developments managed by SHRA or whose full-time, permanent workforce includes no less than 30 percent (30%) of these persons as employees;
- Priority 3: Businesses that are 51 percent (51%) or more owned by Section 3 residents, or whose permanent, fulltime workforce includes no less than 30 percent (30%) Section 3 residents, or that subcontract in excess of 25 percent (25%) of the total amount of subcontracts to business concerns identified above.

### Other Agency Economic Opportunities Plan Process

In the event a Prime Contractor has no demonstrated plan or need to hire and/or subcontract with or is unable to meet the hiring and/or subcontracting requirements in Section V. above, the Prime Contractor is required to provide other economic opportunities by completing form Section 00630. It should be noted that the inability to meet the hiring and/or subcontracting requirements must be documented completely on form Section 00630.

Other Economic Opportunities could include direct subcontracting with a Section 3 Business Concern (subcontracting for work not included in the scope of work), training programs, mentorship program participation, joint ventures or other results oriented economic opportunities directed towards Section 3 Residents and Business Concerns. Any Other Economic Opportunities must be proposed in detail in form Section 00630.

If the other forms of Other Economic Opportunities are not feasible, the Prime Contractor may propose to make a direct contribution to the Section 3 Training Fund. Guidance on how to contribute to the Section 3 Fund is outlined below:

**Hiring Requirements Contribution:** If a Prime Contractor chooses to contribute to the Section 3 Fund in order to meet its Other Economic Opportunity because they are unable to meet the hiring requirement or because they cannot provide other economic opportunities, the Prime Contractor will pay 5% of the total dollar amount of the contract for building trade work or 1.5% for all other contracts to the Section 3 Fund. The amount paid shall not exceed \$100,000 for any one contract.

**Contracting Requirements Contribution:** If a Prime Contractor chooses to contribute to the Section 3 Fund as its Other Economic Opportunity because they cannot meet the full Section 3 Business Concerns subcontracting requirements and cannot provide other Economic Opportunities, the difference between the 10% of the covered contract for building and trade work or 3% for non-construction and the actual amount provided to Section 3 Business Concerns shall be paid to the Section 3 Fund. A Prime Contractor may also pay the entire 10% of the covered contract for building or trade work or 3% for non-construction contracts, if the Prime Contractor has documented the infeasibility of offering any Other Economic Opportunities. In either case, the amount paid shall not exceed \$500,000 for any one contract.



**SECTION 00610**

**ECONOMIC OPPORTUNITY EMPLOYMENT REQUIREMENTS**

**The following is applicable to all contracts related to this project.**

- A. The Loan also requires that, to the greatest extent feasible, all contractors and subcontractors provide opportunities for training or employment to be given to public housing residents or lower-income residents within the project geographical area.
- B. The parties to this Loan certify and agree that they are under no contractual or other disability which would prevent them from fully complying with HUD and SHRA requirements.
- C. As applicable, LOAN recipient will ensure that any contractor(s) send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract, memoranda of understanding, a notice advising the said labor organization or workers' representative of all commitments under this Employment Clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- D. LOAN recipient will ensure that the contractor will include this Employment Clause in every subcontract for work in connection HUD or SHRA projects, in that:

Each Contractor or subcontractor undertaking work in connection with a HUD or SHRA funded Section 3 project must fulfill said obligations to utilize public housing (Section 3) or low income residents within the project area as employees, to the greatest extent feasible by:

- 1. Identifying the number of positions in the various occupational categories, including skilled, semi-skilled, and unskilled labor, needed to perform each phase of Section 3 covered project;
- 2. Identifying the positions described in Paragraph (1) of this Section, the number of positions in the various occupational categories which are currently occupied by regular, permanent employees;
- 3. Identifying the positions described in Paragraph (1) of this Section, the number of positions in the various occupational categories which are not currently occupied by regular permanent employees;
- 4. Establishing the positions described in Paragraph (3) of this Section, a goal which is consistent with the purpose of this subpart within each occupational category of the number of positions to be filled by lower-income residents of Section 3 covered project area; and
- 5. Making a good faith effort to fill all of the positions identified in Paragraph (4) of this Section with lower income project area residents or contributes to the Section 3 training fund, as outlined in SHRA Economic Opportunity Policies related to Section 3 requirements and goals.

**Attachment E**



**SECTION 00620 - DECLARATION OF UNDERSTANDING AND INTENT TO COMPLY WITH SECTION 3 REQUIREMENTS**

<b><u>General Submittal Instructions</u></b>	
<p><b>Bidder/Proposer is required to submit a completed Section 3 and Economic Opportunity Plan(s) with bid.</b> A "non-responsive" determination may be made due to non-submittal. All first-tier subcontractors of the awarded Bidder are required to submit the completed Economic Opportunity Plan within 10 days of award.</p> <p><b>Bidder/Proposer AND its first-tier subcontractors whose Economic Plans indicate no subcontract awards to certified Section 3 Business Concerns will be required to submit supporting documentation for review and approval verifying outreach efforts and attempts to award subcontracts to Section 3 Business Concerns in bid.</b> A "non-responsive" determination shall be made due to a lack of documented outreach to Section 3 Business Concerns by the Bidder/Proposer. Exception: bid/proposal indicating no projected hiring and/or subcontracting opportunities.</p>	
<b><u>Special Instructions for SHRA Developers</u></b>	
<p>Submit all completed Section 3 and Economic Opportunity Plans before construction begins or at the beginning of each project phase (determined on case-by-case). Developers submit completed Plans to:</p> <p align="center">                     Sacramento Housing and Redevelopment Agency                      Procurement/Section 3                      801 12<sup>th</sup> St, 2<sup>nd</sup> Floor                      Sacramento, CA 95814  <a href="mailto:Section3@shra.org">Section3@shra.org</a> </p>	
<b>Prime Contractor Name:</b>	<b>Subcontractor:</b>
<b>Contact Name:</b>	<b>Email Address:</b>
<b>Telephone Number:</b>	<b>Dollar Value of</b> <input type="checkbox"/> <b>Contract</b> <input type="checkbox"/> <b>Subcontract</b> \$
<p><b><i>Check All That Apply for This Project and Follow Instructions as Applicable</i></b></p> <p><input type="checkbox"/> I am the Prime Contractor</p> <p><input type="checkbox"/> I am a Subcontractor</p> <p><input type="checkbox"/> Prime/Sub Contractor will comply with Section 3 outreach for subcontracts as a result of this bid/proposal</p> <p><input type="checkbox"/> Prime/Sub Contractor will comply with Section 3 labor hours as a result of this bid/proposal</p> <p><input type="checkbox"/> There will be no subcontracts or Section 3 labor hours as a result of this bid/proposal</p> <p><b><i>Bidder for the above bid/solicitation number and project hereby understands and agrees to comply with all provisions of Section 3 as set forth in 24 CFR 75 and SHRA's Section 3 Economic Opportunity Plan/Policy requirements, as applicable. Noncompliance with HUD's Section 3 regulations will result in sanctions, termination of the contract/agreement for default and debarment or suspension from future HUD-assisted contracts.</i></b></p>	
<p><b>Authorized Official's Signature:</b> _____ <b>Date:</b> _____</p> <p><b>Print Name and Title:</b> _____</p>	

**SUBMIT WITH BID/OFFER BY PRIME CONTRACTOR ONLY**



**SECTION 00630 - SECTION 3 ECONOMIC OPPORTUNITY PLAN**

Project: \_\_\_\_\_ Project #: \_\_\_\_\_ Date: \_\_\_\_\_

Prime Contractor: \_\_\_\_\_

PART I:  Contractor  Subcontractor      Section 3 Business Concern  Yes  No

Firm Name: \_\_\_\_\_ Contact: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_ E-mail: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**Employment Opportunities**

**PART II:** Contractors or subcontractors receiving federal funds are required to adhere to Executive Order 11246, by Section 3 of the HUD Act of 1968 (12 USC 1701u) and 24 CFR Part 75, the General Conditions of the Contract for Construction, and SHRA's Section 3 Declaration of Understanding and Intent to Comply with Section 3 Requirements. If awarded a contract, it further agrees to comply with all such requirements, including without limitation, committing to an employment and training goal (Tier I) AND award a subcontract to Section 3 Business Concerns (Tier II), *to the greatest extent feasible*. The business entity further understands and agrees that these commitments will be included as obligations in any contract awarded and its failure to comply will be deemed a material default under the contract.

**TIER I: HIRING COMMITMENT** (25% of labor hours to be performed by Section 3 workers)

JOB CLASSIFICATION(S) NEEDED TO COMPLETE THE PROJECT (i.e. Administrative, Laborer, Electrical, Demolition, Asbestos Abatement, Technical, Management, Security)	CURRENT WORKFORCE LABOR HOURS	REQUIRED WORKFORCE LABOR HOURS, IF AWARDED CONTRACT	Labor Hours Performed By Section 3 Workers

Attach additional sheets if necessary

By making a commitment above to hire Section 3 workers, the business entity understands and commits to following the Section 3 Workers Priority Selection by giving first priority to individuals residing in the SHRA development where the work is being performed to complete labor hour requirements.

**Attachment E**

**\*Section 3 LABOR HOURS:** Twenty-five (25) percent of total labor hours on HUD funded projects must be performed by eligible Section 3 Workers, and clearly documented in E-Comply and Section 3 forms.

**\*\* Section 3 Worker Priority Selection:**

1<sup>st</sup> Priority (P1): Individuals residing in the SHRA Development where the project is located and/or the Jobs Plus or Resident Services Program.

2<sup>nd</sup> Priority (P2): Individuals residing in other SHRA owned or managed developments/properties.

3<sup>rd</sup> Priority (P3): All other Section 3 eligible workers in Sacramento City/County.

**TIER II: SUBCONTRACTORS LIST (25% Section 3 Labor Hours)**

SUBCONTRACTOR NAME AND CONTACT	TRADE	Section 3 Business? Yes or No	Subcontract Amount

Attach additional sheets if necessary

**PART III: OTHER EFFORTS THAT WILL BE MADE TO GENERATE ECONOMIC OPPORTUNITIES**

Pursuant to 24 CFR § 75 and/or SHRA's Section 3 Economic Opportunity Plan Policy, please outline your plan to provide other economic opportunities to Section 3 Workers and Section 3 Business Concerns if you cannot satisfy Tier I and Tier II goals or desire to offer additional opportunities. Your plan should include quantifiable goals (i.e. specific number of individuals to be trained, enrolled in apprenticeship or other programs, mentored or hired as interns; dollar commitment, etc.). Examples may include training and apprenticeship programs, mentorship, internship. If you need more space, attach additional pages.

Attach additional sheets if necessary

**PART IV: NOTES & COMMENTS**

Attach additional sheets if necessary

Attachment E

PART V:

**Notification of the Intent to Use Current Workforce**


We do not anticipate hiring any Section 3 workers during the contract period. However, should any positions become available we will notify SHRA by completing the upper section of this form.

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I declare, under penalty of perjury, that the above is true and correct to the best of my knowledge.

NMAI, LLC  
\_\_\_\_\_  
Contractor/Subcontractor Name

  
\_\_\_\_\_  
Signature

7/20/22  
\_\_\_\_\_  
Date

Janey Mays  
\_\_\_\_\_  
Print Name

Manager  
\_\_\_\_\_  
Title

Questions regarding the completion of this form can be submitted to [section3@shra.org](mailto:section3@shra.org)



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**EXHIBIT C**  
**CONTRACTOR'S QUOTE**  
**(behind this page)**

**Attachment B**

**Fee Schedule**

**Initial Contract - Year 1 and 2**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each 26.00
Schedule and Conduct Initial Move-In Inspection	\$ Each 28.00
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each 28.00
Re-Inspection	\$ Each 22.00
No-Show Inspection	\$ Each 14.00
Schedule and Conduct Special / Emergency Inspection	\$ Each 22.00
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each 22.00
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each 6.50 for onsite administrative services 6.75 plus postage for remote services

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ 52.00 **Per Passed Inspection**

**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 3**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each 27.30
Schedule and Conduct Initial Move-In Inspection	\$ Each 29.40
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each 29.40
Re-Inspection	\$ Each 23.10
No-Show Inspection	\$ Each 14.70
Schedule and Conduct Special / Emergency Inspection	\$ Each 23.10
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each 23.10
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each 6.83 for onsite administrative services 7.09 plus postage for remote services

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ 54 60 **Per Passed Inspection**

**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 4**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each 28.67
Schedule and Conduct Initial Move-In Inspection	\$ Each 30.87
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each 30.87
Re-Inspection	\$ Each 24.26
No-Show Inspection	\$ Each 15.44
Schedule and Conduct Special / Emergency Inspection	\$ Each 24.26
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each 24.26
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each 7.17 for onsite administrative services 7.44 plus postage for remote services

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ .<sup>57 33</sup> **Per Passed Inspection**

**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 5**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each 30.10
Schedule and Conduct Initial Move-In Inspection	\$ Each 32.41
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each 32.41
Re-Inspection	\$ Each 25.47
No-Show Inspection	\$ Each 16.21
Schedule and Conduct Special / Emergency Inspection	\$ Each 25.47
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each 25.47
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each 7.53 for onsite administrative services 7.81 plus postage for remote services

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ 60 20  
. \_\_\_\_\_ **Per Passed  
Inspection**

**REQUEST FOR PROPOSALS | RFP #2201-DS**

**SACRAMENTO HOUSING &  
REDEVELOPMENT AGENCY:  
HOUSING QUALITY STANDARDS INSPECTION SERVICES**

**PROPOSAL DUE DATE: MARCH 7, 2022**

A partnership that provides comprehensive inspections  
solutions for your community and the families you serve.



NMAI  
1810 GILLESPIE WAY, SUITE 202  
EL CAJON, CA 92020  
[www.nanmckay.com](http://www.nanmckay.com)  
800.783.3100

**nmai**

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## 1. COVER LETTER

March 7, 2022

Attn: Darrin Samford  
Sacramento Housing and Redevelopment Agency  
630 I Street  
Sacramento, CA 95814

Dear Mr. Samford:

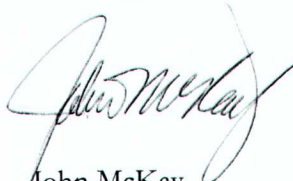
NMAI is pleased to submit our proposal in response to the Sacramento Housing and Redevelopment Agency's Request for Proposals to provide Housing Quality Standards Inspection Services.

NMAI is a subsidiary of Nan McKay & Associates, Inc. (NMA). Since 1980, NMA has been the leader in providing innovative solutions for the affordable housing industry. Our deep understanding of federal programs is backed by four decades of practice working directly with the U.S. Department of Housing and Urban Development (HUD) and public agencies nationwide. Annually, we administer over 100,000 housing contracts and manage more than \$4B in federal housing assistance funds.

NMA's inspections arm, NMAI, was created to fill the need expressed by our clients for high-quality, reliable housing inspections. Originally launched in 2013, NMAI conducts over 300,000 inspections annually for more than fifty (50) agencies and municipalities. As the leading inspections provider for PHAs nationwide, we successfully perform more inspections than any other firm. We believe that inspections are about more than simply checking a box; they are ensuring that each family has a decent, safe, and sanitary place to live. **Our goal is to partner with your agency to provide exceptional inspection services for you and the families you serve.**

To discuss the proposal, or if you need clarification or further information, please contact me at [john@nanmckay.com](mailto:john@nanmckay.com) or 1-800-783-3100, ext. 164.

Sincerely,



John McKay  
Manager, NMAI, LLC  
Incorporated in California



## 2. SCOPE OF SERVICES

### 2.1 Demonstrated Understanding

NMAI understands that the Sacramento Housing and Redevelopment Agency (SHRA) wishes to partner with an inspections firm that has the capacity to administer its housing quality standards (HQS) inspections efficiently, expeditiously, and at a SEMAP *High Performer* level. Our unmatched experience managing small, medium, and large HQS inspections programs for PHAs coast to coast will enable the SRHA-NMAI team to achieve SRHA’s performance expectations.

NMAI is the leading provider of HQS inspection services nationwide, currently performing more than 300,000 inspections throughout the country with a staff of 130+ inspectors who are full-time NMAI employees. An SRHA-NMAI partnership will ensure SRHA’s HQS inspections are administered at a high-performing level that supports SRHA’s mission and vision.

NMAI has carefully reviewed the *Scope of Services* and *Performance Standards* delineated within the RFP. Each task identified in the *Scope of Services* represents a core service that NMAI customarily provides our housing clients. In fact, we believe no other inspection firm in the country offers more experience successfully completing the tasks associated with this solicitation.

A successful transition lays the foundation for a strong partnership and future performance excellence. NMAI has worked in tandem with hundreds of agencies to seamlessly and effectively transition inspection services, minimizing the impact on the agency and families served.

We will use that experience to ensure that SRHA’s staff, participants, owners, and community stakeholders experience minimal disruption in service during the transition period. Our goal is to support the SRHA’s standing in the community from day one.

No other inspections firm in the country completes more inspections on Yardi.

**NMAI is #1 in Yardi inspections nationwide.**

## 2.2 Work Flow Processes

NMAI will provide HQS inspection services for the housing portfolio of the Sacramento Housing and Redevelopment Agency (SHRA). These services include, but are not limited to:

- Scheduling inspections (including follow-up calls to reduce the chance of no shows);
- Conducting inspections;
- Preparing required reports;
- Appearing as needed at administrative hearings; and
- Implementing a comprehensive quality control (QC) process.

HQS inspections will be conducted in alignment with HUD’s guidelines and SHRA policies. NMAI regularly trains, consults, and performs HQS inspections across the country. Building on this experience, we will ensure that the following HQS areas are inspected consistently and accurately:



Once the contract is awarded and a notice to proceed is issued, NMAI will submit a data request for the following:

- Current administrative plan that includes SHRA’s noticing and inspection protocol;
- Current operating system manuals, as needed;
- Any local requirements in addition to HQS or HQS clarifications, if not included in administrative plan; and
- Point-of-contact phone numbers for SHRA program managers/contract coordinators.

NMAI will also work with SHRA to schedule a kickoff meeting to introduce staff, review roles and responsibilities, confirm expectations, and finalize the project timeline as needed.

Our goal is to partner with your agency to provide exceptional inspection services for you and your clients. Throughout all our engagements, inspections are completed in alignment with HUD regulations, as well as local policies. We provide high-quality customer service to landlords and

participants and a priority on ensuring your agency is positively represented throughout the community. Our teams are professional and hardworking to guarantee that our clients receive cost-effective inspections that enhance operations. By using NMAI services, agencies can focus on family interactions while we focus on ensuring units meet all HQS requirements.

### 2.2.1 NSPIRE

HUD’s Real Estate Assessment Center (REAC) previously announced that UPCS-V would replace the current HQS inspections protocol. REAC has since moved to a new proposed model, the National Standards for the Physical Inspection of Real Estate and Associated Protocols (NSPIRE).

NMAI has been closely monitoring REAC’s progress on the development of this new inspections protocol and is prepared to swiftly address the transition to NSPIRE when it arrives.

### 2.2.2 Customer Service Strategy

To help reduce no-shows and promote partnerships with the tenants and owners, the following steps are followed throughout the inspections process:

- Owners are notified when an inspector is in route to the property.
- Inspector arrives within ten (10) minutes of the scheduled appointment time.
- Inspector waits for the tenant and/or owner for fifteen (15) minutes past the scheduled appointment time.
- Additionally, our inspectors will strive to work with owners and/or tenants to resolve questions regarding specific inspection findings and cures.

NMAI is committed to providing exceptional customer service. To that end, we conduct regular, ongoing customer service training for all our team members, including on-the-spot coaching. The project management team will watch for opportunities to improve service, and model how to utilize the AIDET customer service framework used throughout all our offices.

The AIDET Communication Framework

**A** ACKNOWLEDGE  
**I** INTRODUCE  
**D** DURATION  
**E** EXPLANATION  
**T** THANK YOU

The graphic features the NMAI logo (Nan McKay AND ASSOCIATES, INC.) in the top left corner. To its right is the title 'The AIDET Communication Framework'. Below this, the acronym 'AIDET' is written vertically in large, orange, stylized letters. To the right of each letter is its corresponding word: 'A' for 'ACKNOWLEDGE', 'I' for 'INTRODUCE', 'D' for 'DURATION', 'E' for 'EXPLANATION', and 'T' for 'THANK YOU'. The entire graphic is enclosed in a thin green border.

Our relationships, work, and decisions are guided by honesty and integrity. We’re transparent in our actions and hold ourselves to the highest ethical standards. Our team focuses on service and strives to increase customer satisfaction.

### 2.2.3 Work Plan & Scheduling

NMAI will be responsible for the scheduling and completion of all inspections and tasks associated with preparation of reports, training of inspection staff, and quality control. To design an optimal work plan that supports SHRA's goals, our team will review SHRA's existing annual work year consisting of forty-eight (48) to fifty (50) weeks. Based on the last annual inspection date of units, inspections will be scheduled to the week that accommodates completion within the required 364-day period.

Additionally, inspections will be scheduled with a minimum of a morning or afternoon window for annuals or on a specified, pre-arranged time for landlords on move-in inspections. All inspections will be scheduled within 72 hours of assignment by the SHRA. The schedule will incorporate required holidays as appropriate. This approach has been used to successfully allow for government holidays, make-up inspections, etc.

---

Outsourcing inspections to NMAI generally reduces an agency's costs for this work by 50%. In addition, staff normally responsible for administrative processing for inspections can be utilized to perform other job tasks.

---

NMAI will manage inspection administration within SHRA's Yardi software after completing the following tasks:

1. Assess how SHRA currently administers their inspections;
2. Identify any areas of streamlining or required process automation; and
3. Develop inspection administration manual specific to SHRA's Yardi software and processes.

NMAI provides a trained staff member to answer calls/questions from owners in order to provide quality customer service to all clients. We are also available to provide training workshops for owners through the duration of the contract with SHRA.

### 2.2.4 Benefits of Remote Administrative Services

As part of this proposal, we have provided pricing for both onsite and remote administrative services. We understand that SRHA has utilized onsite services in the past, and NMAI is prepared to provide administrative services in an onsite format if SRHA prefers to continue as such.

However, we also encourage SRHA to consider the extensive and proven benefits of leveraging remote administrative services. These benefits include:

**Optimal Staffing Model.** A remote model allows for additional staff training, oversight, and cross-management, with multiple levels of supervision reviewing the process to ensure we're in compliance. Our partnership with NMA means our employees have access to some of the best training in the industry, with a laser focus on crucial topics such as personally identifiable information (PII). NMAI staff are required to complete our PII course annually, in addition to HQS training and other required certifications.

**Increased Quality Control.** The onsite model means fewer opportunities for quality control (QC), and that means more opportunities for error. NMAI's stringent QC process ensures that remote admin work receives continual oversight from experienced industry professionals.

**Cost Efficiencies.** With a remote admin model, overhead expenses currently being shouldered by SRHA such as office supplies and technology costs are included in NMAI's pricing. Removing costs like postage, printing, computers, and mail room support from SRHA's equation adds up to significant cost savings every year.

**Proven Track Record.** NMAI has a verifiable track record of success rates using the remote admin model with large agencies of a similar size to SRHA. We currently provide remote inspection admin to more than twenty (20) clients located across the nation.

### 2.2.5 Conducting Inspections

Regardless of whether SRHA requires us to do so, NMAI ensures that inspections are completed to meet or exceed not just contract requirements, but also Section Eight Management Assessment Program (SEMAP) objectives. We perform quarterly internal QC for SEMAP and work closely with our clients to achieve the highest level of quality.

Additionally, it's vital to NMAI that we staff our engagements sufficiently, guaranteeing that we aren't overburdening our inspectors or compromising our commitment to exceptional standards of service. What's more, our inspectors are employees, not contractors. Not only do they undergo HQS training, they then participate in a minimum of three (3) to four (4) weeks of ride-along training with a mentor before being put in the field on their own. All NMAI inspections staff are certified in HUD regulations and often hold additional certifications such as HCV Specialist. Our team receives real-time training on areas of specific concern to our individual clients, as well as lead-based paint, carbon monoxide, and mold abatement. We pride ourselves on our professionalism and provide ongoing training to ensure our staff is well-versed in NMAI expectations and consistently professional and courteous to all clients, staff, and other contractors.

We will complete all required data entry on a daily basis to ensure contract compliance and maintain current and accurate information for HUD-50058 filings. Additionally, we can streamline the step of sending paper inspection packets for scanning by instead providing SRHA with an electronic deliverable (PDF), if desired. NMAI will complete inspections and provide required reports within all timeframes established by the agency.

Inspectors will arrive within ten (10) minutes of their scheduled appointment time and shall wait for tenant and/or owner for fifteen (15) minutes past the scheduled appointment if the tenant or owner is not present upon arrival. Our inspectors make sure to exhaust all remedies and take all reasonable action to reduce no-show appointments, including but not limited to:

- Visiting the common office
- Calling all numbers on file
- Taking a photo of the unit

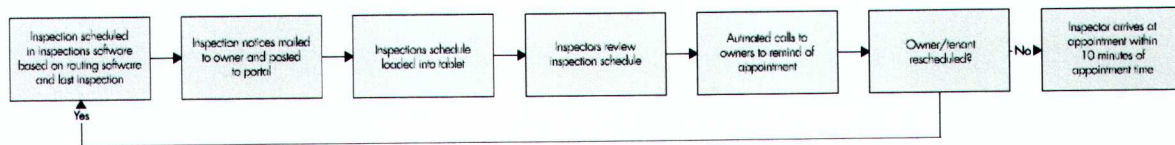
We will ensure that any owner/manager or resident requesting a fail summary report has this option available at the end of the inspection service. Inspectors will provide contact information to the owner and/or tenant and shall be available to answer questions about specific inspection findings and cures from owners, families or SHRA staff.

Calls received before 2 p.m. Pacific will be returned the same day, with calls after 2 p.m. Pacific being returned no later than the next business morning. Inspectors will make telephone contact with the owner and/or client whenever an inspection cannot take place at the scheduled time.

### 2.2.5.1 Initial Inspections

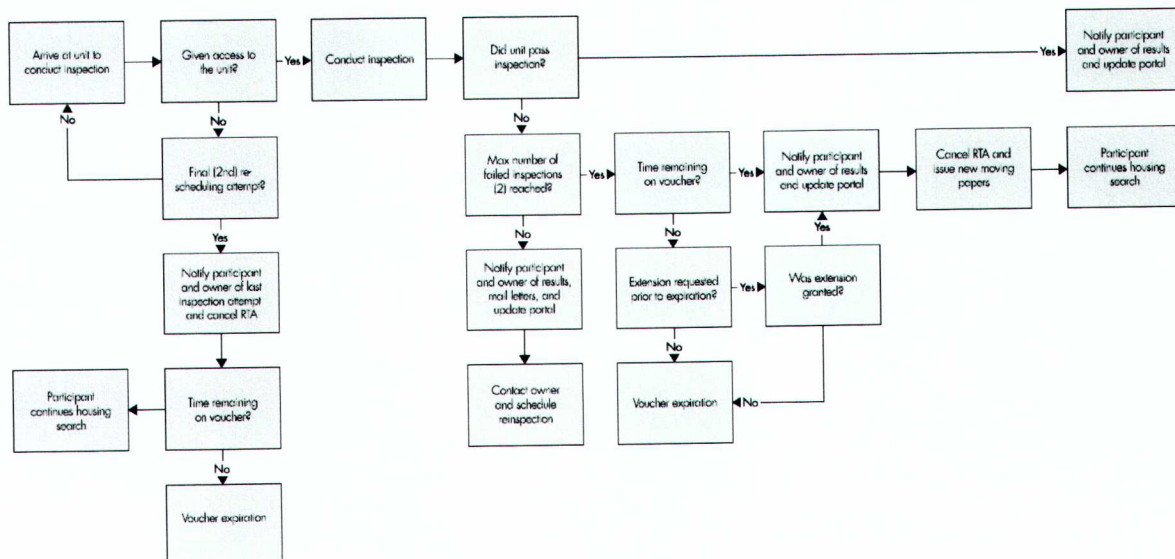
NMAI understands that in order to effectively conduct a high level of initial inspections, inspections scheduling must be accurate and timely. Additionally, in order to encourage owner retention, inspections must be conducted during the time window specified. NMAI initial inspections will be scheduled within 72 hours of the inspection request. Inspections will be scheduled on a geographic basis utilizing mapping software that will identify unit locations and schedule accordingly. Daily routes will be developed for our inspectors to minimize drive time and fuel costs. Owners and families will be provided with a 5-hour window for the inspection time, and the inspector will perform a call-ahead thirty (30) to sixty (60) minutes prior to arriving at the unit to let the owner know they are on the way.

Inspections are scheduled in line with the following process flow:



- Owners are notified when an inspector is in route to the property
- Arrive within ten (10) minutes of the scheduled appointment time
- Wait for the tenant and/or owner for fifteen (15) minutes past the scheduled appointment time.

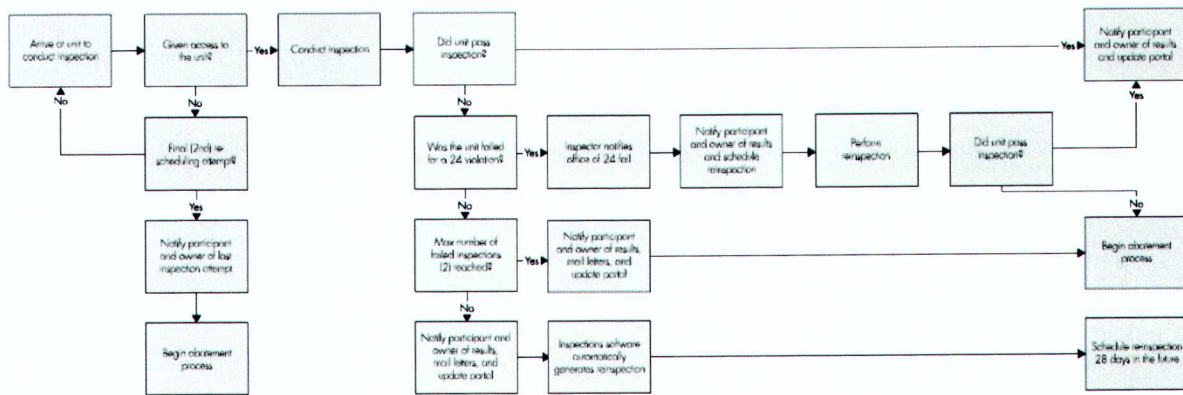
Additionally, our inspectors will strive to work with owners and/or tenants to resolve questions regarding specific inspection findings and cures:



### 2.2.5.2 Annual Inspections

The annual inspections process will begin with data extractions from the agency software and the Public and Indian Housing Information Center (PIC) that will assist NMAI in identifying all late, potentially late, in-progress, and future inspections that need to be completed. Priority will be placed on late (if any) and in-progress inspection services that need to be completed. NMAI will review SHRA’s existing annual inspections schedules and based on the last annual inspection, inspections will be scheduled to ensure completion within the required 364-day period. NMAI analyst staff will review specific inspection reports to capture the required data and generate a report of inspections to be scheduled. NMAI will mail all inspections-related notices. An electronic file will be used to establish monthly mailing notice requirements.

Annual inspections will be performed utilizing a similar process flow to initial inspections:



### 2.2.5.3 Special Inspections

Special inspections can come from different sources, frequently and infrequently, and due to a variety of reasons, from regular home repairs to events as extreme as natural disasters. Special and complaint inspections will be conducted by NMAI with priority placed on those units where a life-threatening emergency has been reported. In the event of a natural disaster, such as a severe thunderstorm or blizzard, we will utilize our national presence to deploy NMAI inspectors from across the country, ensuring a rapid response and supporting SHRA’s disaster recovery plan. Enforcement actions on complaint or special inspections will be consistent with the SHRA administrative plan.

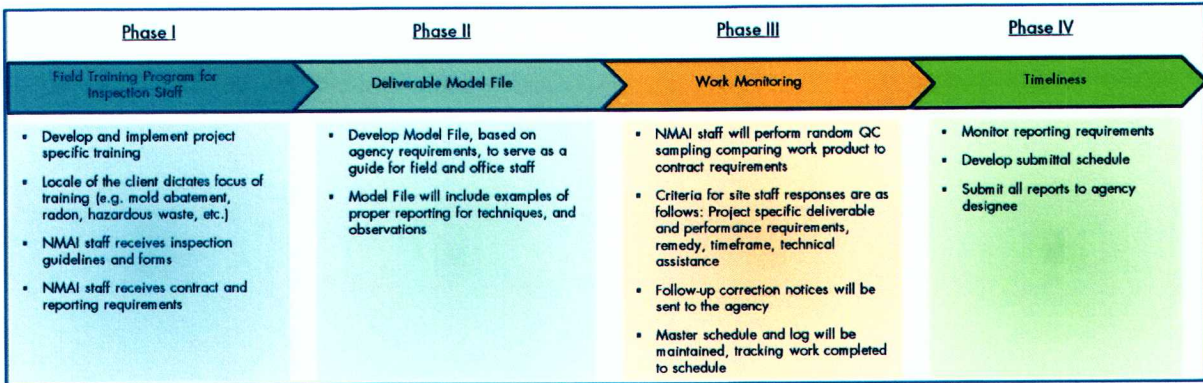
### 2.2.5.4 Onboarding & Training Plan

All staff will be trained by NMAI and will be certified HQS inspectors. In addition, all new staff will be trained in customer service and, as needed, SHRA’s software and handheld devices used by our team in the field.



### 2.2.5.5 Project-Specific Training

Prior to assignment, all NMAI personnel will receive comprehensive training related to the SHRA project and its deliverables. Our four-phased approach is as follows:



Key staff provide technical support to the field inspectors on all elements of the contract, including providing advice or counsel as needed. This support may include clarifying work items, updates or changes to scope of services, or special needs identified by SHRA.

### 2.2.5.6 Rent Reasonableness & Utility Allowance Determinations

NMAI is well-versed in rent reasonableness determinations and would be pleased to provide upon request as an additional service. Utility allowance calculations are performed for all new move-ins and included in our standard pricing for initial inspections.

### 3. EXPERIENCE OF FIRM

#### 3.1 References

The NMAI team has successfully executed complex projects for clients throughout the country. These past experiences give us the necessary skills and background to be successful in managing the inspection services for SHRA.

Throughout each of these engagements, we implemented our proven approach through solid project management, risk management, and regulatory knowledge, supported by high levels of customer service support. Our teams have had positive impacts throughout the industry and each one of these contracts resulted in exceeding the expectations of our clients.

This section includes information on comparable contracts, including the name of the client, project title, point of contact information, and services narrative.

#### Chicago Housing Authority

##### Description of Work Performed & Deliverables Provided

NMAI delivers HQS inspection services for the housing portfolio of the Chicago Housing Authority. These services include, but are not limited to, scheduling all inspections, conducting annual, initial, re-inspection, and complaint/special inspections, and providing inspection reports and data management for the inspection function.

**Contact:** Cheryl Burns  
**Phone:** 312-786-4046  
**Address:** 60 E Van Buren  
 Chicago, IL 60605  
**Email:** [cburns@thecha.org](mailto:cburns@thecha.org)  
**Services:** HQS Services  
**Term:** October 2018 – Present

#### Miami-Dade County Public Housing and Community Development

##### Description of Work Performed & Deliverables Provided

NMAI delivers HQS inspection services for the housing portfolio of Miami-Dade County Public Housing and Community Development (PHCD). These services include, but are not limited to, scheduling all inspections, conducting annual, initial, re-inspection, and complaint/special inspections, and providing inspection reports and data management for the inspection function.

**Contact:** Taycha Santos  
**Phone:** 305-344-5100  
**Address:** 701 NW 1st Court  
 Miami, FL 33136  
**Email:** [Taycha.Santos@miamidadegov](mailto:Taycha.Santos@miamidadegov)  
**Services:** HQS Services  
**Term:** January 2020 – Present



## County of San Diego, Department of Housing & Community Development

### Description of Work Performed & Deliverables Provided

NMAI delivers HQS inspection services for the County of San Diego, Department of Housing and Community Development (HCD). These services include, but are not limited to, scheduling all inspections, conducting annual, initial, re-inspection, and complaint/special inspections, and providing inspection reports and data management for the inspection function. NMAI also provides UPCS inspection services for HCD on an as needed basis.

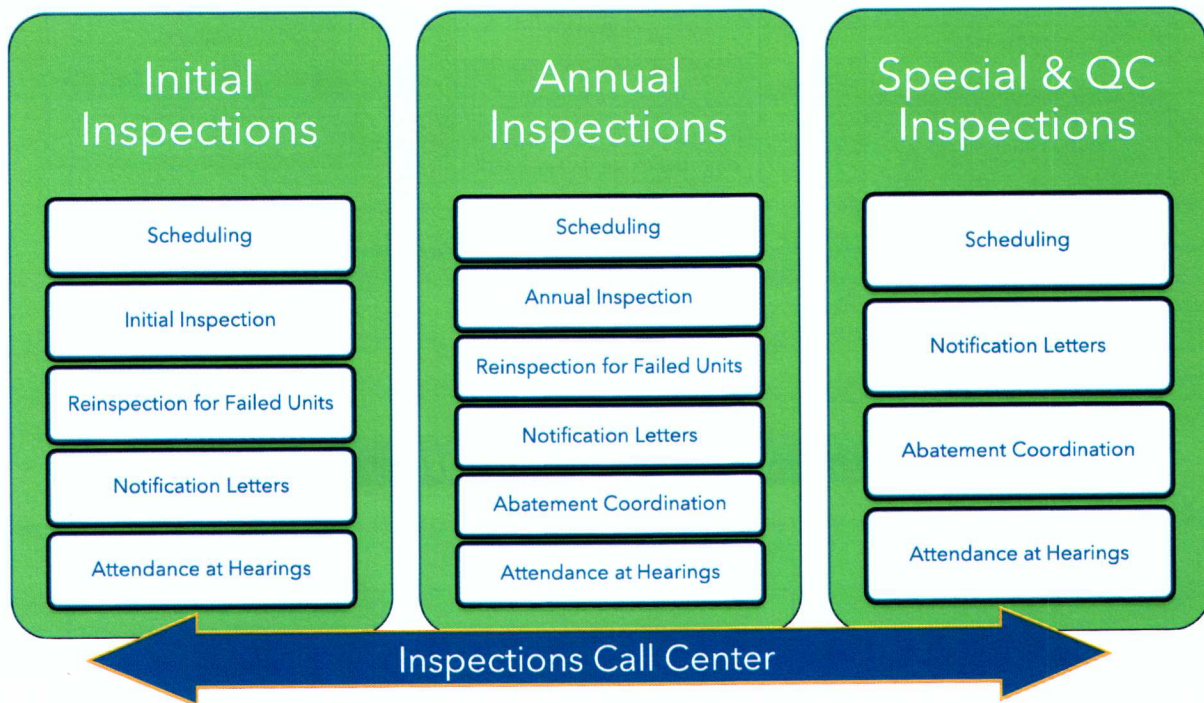
**Contact:** Scott Mansfield  
**Phone:** 619-510-8945  
**Address:** 3989 Ruffin Road  
San Diego, CA 92123  
**Email:** [Scott.Mansfield@sdcounty.ca.gov](mailto:Scott.Mansfield@sdcounty.ca.gov)  
**Services:** HQS & UPCS Services  
**Term:** February 2015 – Present

## 4. AUTOMATED CALL REMINDER SYSTEM

Customer service is paramount at NMAI. Although our firm is an outsourced component of SHRA, we think of ourselves as part of the team and will work collaboratively with all parties to guarantee that the families and landlords served by SHRA receive exceptional customer service. The NMAI team will take a hands-on approach with SHRA property owners and will be available to participate in owner outreach programs and meetings. Staff members will be available to answer calls/questions from owners in order to provide top-quality customer service to all program participants. We are also available to provide training workshops for owners through the duration of the contract with SHRA.

We recognize that most customer concerns are generated from a failed inspection. However, our experience is that responsiveness, timeliness, and open lines of communication can mitigate even the most upset owner or tenant.

NMAI will provide automated reminder phone calls to tenants one (1) business day prior to the scheduled inspection date.



## 5. KEY TEAM MEMBERS

NMAI’s dynamic group of professionals brings an invaluable history of working collaboratively with PHAs, municipalities, and affordable housing providers across the nation. The NMAI project management team possesses more than fifty (50) years of experience with inspections procedures and will utilize this extensive experience to ensure SHRA’s inspections are completed correctly and in compliance with local and HUD requirements.



**Michael Petragallo**  
 Role: Engagement Manager

Michael Petragallo, vice president of inspection services, is responsible for the successful completion of over one million HQS inspections. Mr. Petragallo has also developed and supervised HQS, UPCS, and QC inspections and contracts for PHAs throughout the country, while maintaining an active presence in the field. Mr. Petragallo has experience with direct technical consulting, special inspection projects to address construction and rehabilitation, and developing technical solutions for lead-based paint abatement programs.

Michael will serve as the engagement manager for this project. He will work closely with the SHRA to ensure that all deliverables are met, that the work performed exceeds expectations, and that we are continuing to build a strong partnership. Michael will be available as needed for meetings, presentations, and if any issues arise in the performance of this contract.



**Deb Torvik**  
 Role: Project Manager

Deb Torvik, director of inspections, has more than twenty (20) years of experience providing inspection services to the affordable housing industry. Currently, Ms. Torvik oversees and manages more than 300,000 inspections on an annual basis.

Deb will serve as the project manager for this engagement and will establish the protocols and processes necessary to achieve SHRA’s inspection goals. She will oversee the project throughout the contract and will serve as the main point of contact for contractual concerns or questions. Deb will also submit regular project status reports and monitor all project milestones and deliverables.

### 5.1 Key Personnel Resumes

Included within this section are full resumes of NMA’s proposed key personnel.



## Michael Petragallo

Vice President Inspection  
Services

### EXPERTISE

- ☑ Housing Quality Standards
- ☑ UPCS Regulations
- ☑ Quality Control
- ☑ Technical Solutions
- ☑ Efficiency Audits
- ☑ HUD REAC

### CERTIFICATIONS

HQS Inspector/Trainer  
UPCS Inspector/Trainer  
HUD REAC (#MF3508)  
FEMA Housing Inspector  
HUD Visual LBP Inspector  
Licensed CA Real Estate Appraiser

### CONTACT INFORMATION

Email: mpetragallo@nanmckay.com  
Phone: 800.783.3100

### PROFILE

---

Mr. Michael Petragallo, Vice President of Inspection Services, is responsible for the successful completion of over one million HQS inspections. Mr. Petragallo has also developed and supervised HQS, UPCS, and QC inspections and contracts for PHAs throughout the country, while maintaining an active presence in the field. Mr. Petragallo has experience with direct technical consulting, special inspection projects to address construction and rehabilitation, and developing technical solutions for lead-based paint abatement programs.

### EXPERIENCE

---

#### Vice President, Inspection Services

Nan McKay & Associates, Inc., El Cajon, CA | 2013 to Present

- Responsible for the successful completion of over one million HQS and UPCS inspections.

#### Director of Operations

Sterling Co. Inc., Berkley, CA | 1996 to 2013

- As the director of operations, including all inspection services, Mr. Petragallo developed and supervised HQS, UPCS, PM, QA inspections and contracts for PHAs in TN, TX, VA and CA and maintained an active presence in the field on all Sterling contracts.
- The scope of work under these contracts has included direct consulting with PHAs on special projects to address, inspection needs, construction and rehabilitation on special projects, developing technical solutions for lead paint abatement programs.
- As the field supervisor for the FEMA H.I.S. Program, Mr. Petragallo has individually completed over 10,000 H.I.S. inspections and directed and supervised the completion of over 1,000,000 H.I.S. inspections. As field supervisor, he directly trained and certified over 200 field and quality control inspectors under this program.

#### Owner/Operator

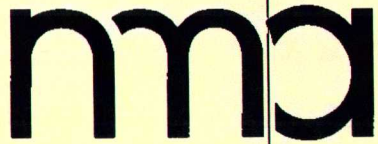
Century21 Real Estate & Property Management | 1987 to 1990

- Owner broker of a national franchise real estate company.
- Maintained education with specific attention real property and real property maintenance and management.
- Directly managed training, property management, and document review of all transactions,

#### Vice President, Construction Control Department

Tahoe Saving & Loan | 1982 to 1987

- Responsible for site inspection of single and multi-family construction projects.
- Oversight of staff inspectors and appraisers on \$100 million of construction disbursements.



Nan McKay  
AND ASSOCIATES, INC.

1810 Gillespie Way, Suite 202  
El Cajon, CA 92020  
800.783.3100 ▪ www.nanmckay.com

# HCV Housing Quality Standards Specialist

Be it known by this certificate that

## Michael Petragallo

Has fulfilled the certification requirements of  
Nan McKay & Associates, Inc. and NMA  
University, by successful completion of the  
HCV Housing Quality Standards Examination

*Nan McKay*  
\_\_\_\_\_  
Nan McKay, President

1/10/2019

Date

Continuing Education Units: 1.9



Nan McKay & Associates is accredited by the International Association for Continuing Education and Training (IACET) and is accredited to issue the IACET CEU.



Nan McKay & Associates is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Web site: www.nasba.org. In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour. CPE Sponsor ID# 101539

# *CONGRATULATIONS*

*Michael Petregallo*

---

*has successfully completed the U.S. Department  
of Housing and Urban Development,  
Office of Healthy Homes and Lead Hazard Control's*

## *VISUAL ASSESSMENT COURSE*

*pursuant to 24 Code of Federal Regulations Part 35*

---

*Jonette G. Hawkins  
Director, Program Management and Assurance Division  
Office of Healthy Homes and Lead Hazard Control*



*U.S. Department of Housing and Urban Development*



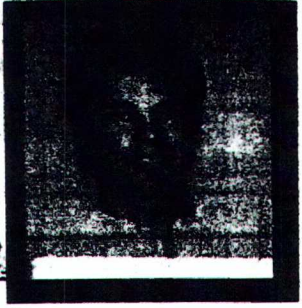
THE BEARER OF THIS CARD IS NOT AN EMPLOYEE OF THE FEDERAL GOVERNMENT AND IS QUALIFIED TO CONDUCT INSPECTIONS IN ACCORDANCE WITH THE UNIFORM FEDERAL CONDITION STANDARDS

COMMERCIAL INSPECTION AND ASSESSMENT CARD  
Valid only for use in the District of Columbia

**REAL ESTATE  
ASSESSMENT CENTER**  
1280 Maryland Ave, SW  
Washington, D.C. 20024  
877-406-9220



*Michael R. Petragallo*  
Inspector Admin Prog Mgr.



**INSPECTOR'S NAME:**

**MICHAEL R. PETRAGALLO**

**HEIGHT: WEIGHT: SEX:**

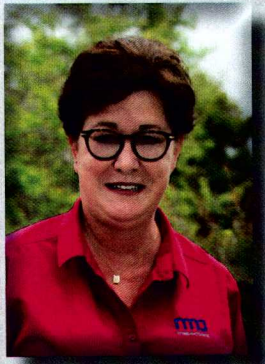
**5'8" 145 M**

**HAIR: EYES:**

**BROWN HAZEL**

**Date Issued: May 9, 2002**

**I.D. NUMBER: MF3508**



## Deb Torvik

Director  
Inspection Services

### Expertise

- ☑ Housing Quality Standards
- ☑ UPCS
- ☑ Quality Control
- ☑ Technical Solutions
- ☑ Efficiency Audits
- ☑ HUD REAC

### Certifications

HQS Inspector  
UPCS Inspector  
Certified Property Manager  
CA Real Estate Salesperson

### Contact Information

Email: dtorvik@nanmckay.com  
Phone: 800.783.3100

## Experience

### Director, Inspection Services

Nan McKay & Associates, Inc., El Cajon, CA | 2013 to Present

- Responsible for ensuring regulation compliance in regards to HUD and Section 8 Housing guidelines; Specializing in HQS, UPCS, and Pre-REAC Inspections.
- Responsible for administrative support for HUD Housing Inspection Company.

### Administrator & Property Inspector

Sterling Company, Inc. | 2005 to 2013

- Responsible for providing administrative support for HUD Housing Inspection Company and ensuring compliance with all regulations in regard to HUD and Section 8 Housing guidelines; specializing in HQS, UPCS and Pre-REAC Inspections.

### Community Manager

Mercy Services | 2002 to 2003

- Responsible for overall management and compliance for a 70 unit Affordable Housing project in South Lake Tahoe.
- Duties included tenant screening, contracts, ensuring HUD and California Housing and Finance Agency compliance, presentation of life skills training/ classes for residents as well as general property management.

### Assistant Hotel Manager

Caesars Tahoe Hotel & Casino | 2001 to 2002

- Responsible for all aspects and operations of the Front Desk, Bell Desk & Valet Services, including a staff of approximately 25, for the 440 room hotel.

### Executive Director

Master Owner's Association | 1998 to 2001

- Responsible for managing nine homeowners associations, office and maintenance staff of 10 – 15, establishing and executing an annual budget of approximately \$800,000.
- Responsible for Architectural Plan Review and enforcement as well as general community development.

### Assistant Lodging Director

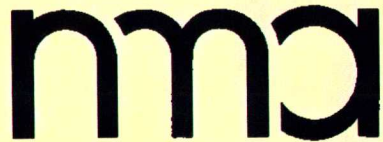
Kirkwood Lodging | 1996 to 1998

- Extensive interaction with customers as well as owners.
- Responsible for a staff of five to ten agents, depending upon the season.

### Co-owner

South Lake Tahoe Realtors | 1987 to Present

- Co-owner of South Lake Tahoe Realtors, a real estate sales and property management company.



**Nan McKay**  
AND ASSOCIATES, INC.

1810 Gillespie Way, Suite 202  
El Cajon, CA 92020  
800.783.3100 • www.nanmckay.com

# HCV Housing Quality Standards Specialist

Be it known by this certificate that

## Deb Ward

Has fulfilled the certification requirements of  
Nan McKay & Associates, Inc. and NMA  
University, by successful completion of the  
HCV Housing Quality Standards Examination

*Nan McKay*

Nan McKay, President

1/10/2019

Date

Continuing Education Units: 1.9



Nan McKay & Associates is accredited by the International Association for Continuing Education and Training (IACET) and is accredited to issue the IACET CEU.



Nan McKay & Associates is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Web site: www.nasba.org. In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour. CPE Sponsor ID# 101539

## *CONGRATULATIONS*

*Debbie Ward*

---

*has successfully completed the U.S. Department  
of Housing and Urban Development,  
Office of Healthy Homes and Lead Hazard Control's*

## *VISUAL ASSESSMENT COURSE*

*pursuant to 24 Code of Federal Regulations Part 35*

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*Jonette G. Hawkins  
Director, Program Management and Assurance Division  
Office of Healthy Homes and Lead Hazard Control*



*U.S. Department of Housing and Urban Development*

## 5.2 Inspections Team

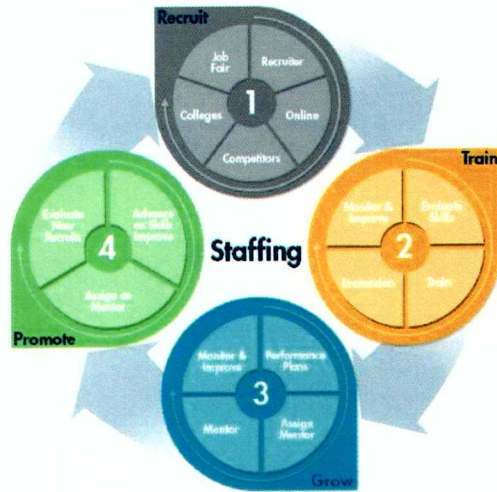
NMAI will initially utilize our staff inspectors to conduct inspections for SHRA, but recognizes the importance of utilizing local talent for local jobs. Whenever possible, NMAI will work to hire and train local, experienced resources to perform the proposed inspections. NMAI will conduct outreach to Section 3 applicants registered with SHRA and make every effort to hire Section 3 eligible applicants.

Once local staff is brought onboard, each inspector will report to a local lead inspector, who will in turn report to the project manager, Deb Torvik.

## 5.3 Staff Retention, Screening, Training & Monitoring

NMA is a Section 3 business concern, and we are committed to providing opportunities for Section 3 residents. We work with all our PHA partners and resident organizations to advertise any available positions.

Applicants with demonstrated qualifications undergo a preliminary review and an online assessment of their basic calculation skills, written communication skills, reading comprehension, critical thinking, motivation, and customer service skills. Background screenings are performed once an applicant proceeds past the interview round. Applicants clearing all screening requirements, including core competency analysis, are ranked based upon results of technical testing and demonstrated customer service skills. Applicants who meet established standards are referred for a final interview.



## 6. PROJECT MANAGEMENT APPROACH

### 6.1 Forms & Reports

NMAI will utilize all required forms approved by SHRA to perform HQS inspections. Additionally, NMAI will use the reports available in SHRA's software for regular reporting. Should SHRA require additional information or special reports (e.g., board presentations), NMAI will develop a template, request SHRA review and approval, and prepare the report accordingly.

### 6.2 Communication

NMAI will follow the communication standards established by SHRA and adapt as required by the project.

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NMAI provides regulatory and operational expertise required to conduct inspections while also offering the high-quality customer care that NMA's reputation is built on.

### 6.3 Resource Management

- The lead inspector will be responsible for the assignment and coordination of all field staff resources.
- The lead inspector will, prior to assigning personnel to a new project/inspection route detail, review their work assignment schedule for an applicable period.
- NMAI will monitor and sample the performance of field personnel. Should issues arise, NMAI will take the initiative to mitigate the issue, including re-assignment of personnel if necessary. SHRA will be informed immediately should any issues surface.
- NMAI has the flexibility to employ an experienced, knowledgeable staff on a full-time basis. This will provide SHRA the ability to request and utilize more or fewer staff from NMAI at any given time, without impacting the quality of personnel or service provided.

### 6.4 Quality Control Program

Quality control (QC) inspections are an important part of ensuring staff performance and educating landlords on the program. NMAI QC inspectors will review a minimum of two (2) times the number of SHRA's SEMAP-required units. The sample will include passed inspections within the last thirty (30) days and be comprised of all types of inspections, neighborhoods, and inspectors. All deficiencies, pre-existing or not, will be required to be corrected by the responsible party in accordance with SHRA policies. However, the QC plan will emphasize identification of pre-existing conditions because the lack of awareness of these conditions clearly demonstrates areas that should be emphasized in the professional development of inspectors.

### *6.4.1 Field Monitoring*

The lead inspector will make random visits to provide a check and balance to the reports filed by site inspectors and ensure SHRA receives exceptional service. If any errors or variances occur, the lead inspector will inform SHRA's project manager of implementation of the remedy. A correction plan will be in place to address any problems with inspector performance, customer service, revised guidelines, and additional support. This information will be maintained in an inspector/project file.

### *6.4.2 Technical Support*

Key staff provide technical support to the field inspectors on all elements of the contract, including providing advice or counsel as needed. This support may include clarifying work items, updates or changes to scope of services, or special needs identified by SHRA.

## 7. DEMONSTRATED CAPACITY

With a staff of more than 130 full-time inspectors located across the country, NMAI is prepared to handle any and all volume of work and requested turnaround times.

On average, **we perform 1,250 HQS inspections daily**, over 25,000 per month, and in excess of 300,000 per year. We perform an average of 100 UPCS inspections per day, over 2,000 per month, and approximately 25,000 per year.





## 8. SECTION 3 REQUIREMENTS

Included in this section is NMAI's completed *Attachment E, Declaration of Understanding and Intent to Comply with Section 3 Requirements*.

## Attachment E



**SECTION 00620 - DECLARATION OF UNDERSTANDING AND INTENT TO COMPLY WITH SECTION 3 REQUIREMENTS**

**General Submittal Instructions**

**Bidder/Proposer is required to submit a completed Section 3 and Economic Opportunity Plan(s) with bid.** A "non-responsive" determination may be made due to non-submittal. All first-tier subcontractors of the awarded Bidder are required to submit the completed Economic Opportunity Plan within 10 days of award.

**Bidder/Proposer AND its first-tier subcontractors whose Economic Plans indicate no subcontract awards to certified Section 3 Business Concerns will be required to submit supporting documentation for review and approval verifying outreach efforts and attempts to award subcontracts to Section 3 Business Concerns in bid.** A "non-responsive" determination shall be made due to a lack of documented outreach to Section 3 Business Concerns by the Bidder/Proposer. Exception: bid/proposal indicating no projected hiring and/or subcontracting opportunities.

**Special Instructions for SHRA Developers**

Submit all completed Section 3 and Economic Opportunity Plans before construction begins or at the beginning of each project phase (determined on case-by-case). Developers submit completed Plans to:

Sacramento Housing and Redevelopment Agency  
Procurement/Section 3  
801 12<sup>th</sup> St, 2<sup>nd</sup> Floor  
Sacramento, CA 95814  
[Section3@shra.org](mailto:Section3@shra.org)

<b>Prime Contractor Name:</b> NMAI, LLC	<b>Subcontractor:</b> None
<b>Contact Name:</b> Emily Frampton	<b>Email Address:</b> eframpton@nanmckay.com
<b>Telephone Number:</b> 619-857-4665	<b>Dollar Value of</b> <input checked="" type="checkbox"/> <b>Contract</b> <input type="checkbox"/> <b>Subcontract</b> \$TBD
<p><b><u>Check All That Apply for This Project and Follow Instructions as Applicable</u></b></p> <p><input checked="" type="checkbox"/> I am the Prime Contractor  <input type="checkbox"/> I am a Subcontractor  <input type="checkbox"/> Prime/Sub Contractor will comply with Section 3 outreach for subcontracts as a result of this bid/proposal  <input checked="" type="checkbox"/> Prime/Sub Contractor will comply with Section 3 labor hours as a result of this bid/proposal  <input type="checkbox"/> There will be no subcontracts or Section 3 labor hours as a result of this bid/proposal</p> <p><b><i>Bidder for the above bid/solicitation number and project hereby understands and agrees to comply with all provisions of Section 3 as set forth in 24 CFR 75 and SHRA's Section 3 Economic Opportunity Plan/Policy requirements, as applicable. Noncompliance with HUD's Section 3 regulations will result in sanctions, termination of the contract/agreement for default and debarment or suspension from future HUD-assisted contracts.</i></b></p>	
<b>Authorized Official's Signature:</b> <u>John McKay</u> <small>3CAUC6ZC433F4AU...</small>	<b>Date:</b> <u>3/7/22</u>
<b>Print Name and Title:</b> <u>John McKay, Manager</u>	

**SUBMIT WITH BID/OFFER BY PRIME CONTRACTOR ONLY**

Attachment E



**SECTION 00630 - SECTION 3 ECONOMIC OPPORTUNITY PLAN**

**Project:** HQS Inspection Services **Project #:** 2201-DS **Date:** 3/7/22

**Prime Contractor:** NMAI, LLC

**PART I:**  **Contractor**  **Subcontractor** **Section 3 Business Concern**  **Yes**  **No**

**Firm Name:** NMAI, LLC **Contact:** Emily Frampton

**Phone Number:** 619-857-4665 **Fax Number:** N/A **E-mail:** eframpton@nanmckay.com

**Address:** 1810 Gillespie Way, Suite 202

**City:** El Cajon **State:** CA **Zip Code:** 92020

**Employment Opportunities**

**PART II:** Contractors or subcontractors receiving federal funds are required to adhere to Executive Order 11246, by Section 3 of the HUD Act of 1968 (12 USC 1701u) and 24 CFR Part 75, the General Conditions of the Contract for Construction, and SHRA's Section 3 Declaration of Understanding and Intent to Comply with Section 3 Requirements. If awarded a contract, it further agrees to comply with all such requirements, including without limitation, committing to an employment and training goal (Tier I) AND award a subcontract to Section 3 Business Concerns (Tier II), *to the greatest extent feasible*. The business entity further understands and agrees that these commitments will be included as obligations in any contract awarded and its failure to comply will be deemed a material default under the contract.

**TIER I: HIRING COMMITMENT** (25% of labor hours to be performed by Section 3 workers)

JOB CLASSIFICATION(S) NEEDED TO COMPLETE THE PROJECT (i.e. Administrative, Laborer, Electrical, Demolition, Asbestos Abatement, Technical, Management, Security)	CURRENT WORKFORCE LABOR HOURS	REQUIRED WORKFORCE LABOR HOURS, IF AWARDED CONTRACT	Labor Hours <u>Performed</u> By Section 3 Workers
TBD	TBD	TBD	TBD

Attach additional sheets if necessary

By making a commitment above to hire Section 3 workers, the business entity understands and commits to following the Section 3 Workers Priority Selection by giving first priority to individuals residing in the SHRA development where the work is being performed to complete labor hour requirements.

**Attachment E**

**\*Section 3 LABOR HOURS:** Twenty-five (25) percent of total labor hours on HUD funded projects must be performed by eligible Section 3 Workers, and clearly documented in E-Comply and Section 3 forms.

**\*\* Section 3 Worker Priority Selection:**

1<sup>st</sup> Priority (P1): Individuals residing in the SHRA Development where the project is located and/or the Jobs Plus or Resident Services Program.

2<sup>nd</sup> Priority (P2): Individuals residing in other SHRA owned or managed developments/properties.

3<sup>rd</sup> Priority (P3): All other Section 3 eligible workers in Sacramento City/County.

**TIER II: SUBCONTRACTORS LIST (25% Section 3 Labor Hours)**

SUBCONTRACTOR NAME AND CONTACT	TRADE	Section 3 Business? Yes or No	Subcontract Amount
N/A			

Attach additional sheets if necessary

**PART III: OTHER EFFORTS THAT WILL BE MADE TO GENERATE ECONOMIC OPPORTUNITIES**

Pursuant to 24 CFR § 75 and/or SHRA's Section 3 Economic Opportunity Plan Policy, please outline your plan to provide other economic opportunities to Section 3 Workers and Section 3 Business Concerns if you cannot satisfy Tier I and Tier II goals or desire to offer additional opportunities. Your plan should include quantifiable goals (i.e. specific number of individuals to be trained, enrolled in apprenticeship or other programs, mentored or hired as interns; dollar commitment, etc.). Examples may include training and apprenticeship programs, mentorship, internship. If you need more space, attach additional pages.

If NMAI cannot satisfy Tier 1 goals, we would be pleased to contribute to SHRA's Section 3 fund.

Attach additional sheets if necessary

**PART IV: NOTES & COMMENTS**

Attach additional sheets if necessary

Attachment E

**PART V:**

**Notification of the Intent to Use Current Workforce**

We do not anticipate hiring any Section 3 workers during the contract period. However, should any positions become available we will notify SHRA by completing the upper section of this form.

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**I declare, under penalty of perjury, that the above is true and correct to the best of my knowledge.**

NMAI, LLC

**Contractor/Subcontractor Name**

DocuSigned by:  
  
Signature

3/7/22

Date

John McKay

Print Name

Manager

Title

Questions regarding the completion of this form can be submitted to [section3@shra.org](mailto:section3@shra.org)

The leading partner for PHA inspections nationwide.  
100 percent invested in your success.



NMAI  
1810 Gillespie Way, Suite 202  
El Cajon, CA  
92020

800.783.3100  
619.258.5791  
sales@nanmckay.com  
www.nanmckay.com

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**PROFESSIONAL SERVICES AGREEMENT**

**For**

**Housing Quality Standards (HQS) Inspection Service**

**By and Between**

**Housing Authority of the County of Riverside**

**and**

**NMAI LLC**



1 THIS PROFESSIONAL SERVICES AGREEMENT FOR THE HQS INSPECTION  
2 SERVICE ("Agreement"), is made and entered into as of the effective date, defined  
3 below, by and between NMAI, LLC, a California limited liability company  
4 ("CONTRACTOR") and the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE,  
5 a public entity corporate and politic, ("HACR" or "AUTHORITY"). The parties agree as  
6 follows:

7  
8 **RECITALS**

9 **WHEREAS**, AUTHORITY is a Housing Authority duly created, established and  
10 authorized to transact business and exercise its powers, all under and pursuant to the  
11 provision of the Housing Authorities Law located in Part 2 of Division 24 of the California  
12 Health and Safety Code commencing with Section 34200 et seq.;

13 **WHEREAS**, pursuant to the Housing Authorities Law, AUTHORITY is authorized  
14 to make and execute contracts and other instruments necessary or convenient to  
15 exercise its powers;

16 **WHEREAS**, pursuant to Section 14.2.B.5 of the U.S. Department of Housing and  
17 Urban Development (HUD) Procurement Handbook 7460.8 Rev 2 and also 2 CFR  
18 §200.317 through §200.326, AUTHORITY may purchase "supplies and services through  
19 a local, county, or State government's supply service or equipment contractor"  
20 ("Cooperative Purchasing Laws") without competitive procurement, provided the  
21 conditions in the Cooperative Purchasing Laws are satisfied;

22 **WHEREAS**, pursuant to the Cooperative Purchasing Laws, AUTHORITY desires  
23 to "piggy-back" on the Sacramento RFP and the Sacramento Contract and enter into an  
24 Agreement with CONTRACTOR for HQS inspection services without competitive  
25 procurement because (1) the Agreement with CONTRACTOR shall provide for greater  
26 economy and efficiency and results in cost savings to AUTHORITY; (2) the Agreement  
27 with CONTRACTOR is used for common services of a routine nature only; (3) the  
28 services to be obtained from CONTRACTOR in connection with the Sacramento RFP



1 and Sacramento Contract were obtained in compliance with the Cooperative Purchasing  
2 Laws; and (4) the AUTHORITY has satisfied all conditions to cooperative purchasing  
3 under the Cooperative Purchasing Laws; and

4 **WHEREAS**, CONTRACTOR has the expertise, special skills, knowledge, and  
5 experience to perform the duties set out herein and agrees to provide such services to  
6 AUTHORITY.

7 **NOW THEREFORE**, in consideration of the mutual covenants contained herein,  
8 the parties hereto agree as follows:

9

10 **1. Description of Services**

11 **1.1** CONTRACTOR shall provide comprehensive HQS Inspection Services at  
12 the twelve hundred (1200) Housing Choice Voucher (HCV) scattered site individual  
13 rental units, and also at the nineteen (19) RAD and other public housing sites, and any  
14 other sites or units that AUTHORITY may acquire in the future, all located within  
15 Riverside County, for the fees stated in Paragraph 3.1 below. CONTRACTOR shall  
16 provide all services, labor, material, and equipment as outlined and specified in (i) the  
17 Scope of Service, attached hereto as Exhibit A; (ii) the Sacramento RFP, attached hereto  
18 as Exhibit B; and (iii) CONTRACTOR'S quote submitted in connection with the  
19 Sacramento RFP, attached hereto as Exhibit C; each exhibit of which is respectively  
20 incorporated herein by this reference (collectively, "HQS Inspection Services").

21 **1.2** CONTRACTOR represents that it has the skills, experience, and  
22 knowledge necessary to fully and adequately perform under this Agreement, and  
23 AUTHORITY relies upon this representation. CONTRACTOR shall perform to the  
24 satisfaction of AUTHORITY, and CONTRACTOR shall perform the services and duties  
25 in conformance to and consistent with the standards generally recognized as being  
26 employed by professionals in the same discipline in the State of California.  
27 CONTRACTOR further represents and warrants to AUTHORITY that it has all licenses,  
28 permits, qualifications and approvals of whatever nature are legally required to practice

1 its profession. CONTRACTOR further represents that it shall keep all such licenses and  
2 approvals in effect during the term of this Agreement.

3 **1.3** CONTRACTOR affirms that it is fully apprised of all of the work to be performed  
4 under this Agreement; and CONTRACTOR agrees it can properly perform this work at the  
5 fee stated in Paragraph 3.1. CONTRACTOR shall not perform services or provide products  
6 that are not set forth in this Agreement, unless by prior written request of AUTHORITY.

7 **1.4** Acceptance by AUTHORITY of CONTRACTOR'S performance under this  
8 Agreement does not operate as a release of CONTRACTOR'S responsibility for full  
9 compliance with the terms of this Agreement.

10  
11 **2. Period of Performance**

12 **2.1** This Agreement shall commence on July 1st, 2022, (the "Effective Date"),  
13 and continue in effect through June 30, 2024, with an option to renew in writing for three  
14 (3) more years, in one (1) year increments, unless earlier terminated pursuant to  
15 Paragraph 5 below.

16  
17 **3. Compensation**

18 **3.1** AUTHORITY shall pay CONTRACTOR for services performed, products  
19 provided, and expenses incurred in accordance with the Scope of Service attached  
20 hereto as Exhibit "A", the HQS Inspection Services. Maximum payment by AUTHORITY  
21 to CONTRACTOR for the services provided herein, shall not exceed ONE MILLION  
22 EIGHT HUNDRED THOUSAND DOLLARS (\$1,800,000), including all expenses,  
23 ("Contracted Amount") should the Agreement remain in force for the entire five (5) year  
24 term. For the original two (2) year term, maximum payment by AUTHORITY shall not  
25 exceed SEVEN HUNDRED TWENTY THOUSAND DOLLARS (\$720,000).

26 AUTHORITY shall not be responsible for any fees or costs incurred above or  
27 beyond the aforementioned Contracted Amounts and AUTHORITY shall have no  
28 obligation to purchase any specified amount of services or products, unless agreed to in

1 writing by AUTHORITY pursuant to Paragraph 4 below. CONTRACTOR shall not be  
2 entitled to any additional fees for any of the HQS Inspection Services, other than those  
3 set forth below.

4 No compensation shall be allowed for administrative, overhead, insurance, word  
5 processing (normal or overflow secretarial time or overtime, or computer time or service)  
6 and related expenses.

7 **3.2** CONTRACTOR'S fees encompass all HQS Inspection Services including,  
8 but not limited to, administration services, scheduling of initial inspections, initial  
9 inspections, re-inspections for failed units after initial inspections, notification letters for  
10 initial inspections, attendance at hearings related to the initial inspections, scheduling of  
11 annual inspections, annual inspections, re-inspection for failed units after annual  
12 inspections, notification letters for annual inspections, attendance at hearings and  
13 abatement coordination related to annual inspections. CONTRACTOR'S fees also  
14 include all travel, per diem and other direct costs related to its Services. For purposes of  
15 this paragraph only, the term "inspections" shall mean any type of inspection pursuant to  
16 this Agreement including, but not limited to, initial inspections, annual inspections, re-  
17 inspections, special inspections and "No Show" or "Missed" inspections.

18 CONTRACTOR'S fees are based upon the total number of inspections conducted  
19 by CONTRACTOR, as follows:

20 Per Inspection Costs:

21 Schedule & Conduct Initial Inspection: \$28.00 Each

22 Annual Inspection: \$26.00 Each

23 Re-Inspection: \$22.00 Each

24 Schedule & Conduct Special Inspection: \$22.00 Each

25 No Show / Missed Inspection: \$14.00 Each

26 Administration Remote: \$6.75 Each plus postage

27 Administrative fee includes: inspection administrative services, call center access,  
28 forms, reports, letters, inspection scheduling, inspection reports, attendance at hearings,

1 abatement coordination, and responding to queries from AUTHORITY clients. Costs of  
2 copying and stationery, are also included in this fee.

3 **3.3** CONTRACTOR shall be paid only in accordance with an invoice submitted  
4 to AUTHORITY by CONTRACTOR. AUTHORITY shall pay the invoice within thirty (30)  
5 working days from the date of receipt of the invoice. Payment shall be made to  
6 CONTRACTOR only after services have been rendered or delivery of materials or  
7 products, and acceptance has been made by AUTHORITY. Prepare invoices in  
8 duplicate. For this Agreement, send the original and duplicate copies of invoices to:

9  
10 Housing Authority of the County of Riverside  
11 5555 Arlington Avenue, Riverside, CA 92504  
12 ATTN: Jennifer Paz

13 **a)** The CONTRACTOR shall submit a monthly invoice for actual  
14 expenses incurred in providing the HQS Inspection Services along with  
15 appropriate documentation of expenditures (receipts, copies of checks  
16 issued, timecards, travel expense, etc.); remittance address; and an  
17 invoice total.

18 **b)** The Invoice must be submitted within five (5) working days of the  
19 end of the reporting period. Expenditures may not be reimbursed if all  
20 documentation is not received in a timely manner. Invoices shall be  
21 rendered monthly in arrears.

22 **c)** If the eligibility of expenditures cannot be determined because  
23 CONTRACTOR'S records or documentation are nonexistent or  
24 inadequate, according to generally accepted accounting practices, the  
25 questionable costs shall be disallowed by AUTHORITY.

26 **d)** If CONTRACTOR has provided services to AUTHORITY or its  
27 clients, as described in the Scope of Service, prior to the effective date of  
28 this Agreement or after the termination date of this Agreement, but within  
the same fiscal or calendar year as either date, and has all proper

1 documentation of such services as detailed above, AUTHORITY will allow  
2 reimbursement, in its sole discretion.

3 **3.4** AUTHORITY'S obligation for payment of this Agreement beyond the  
4 current fiscal year end is contingent upon and limited by the availability of AUTHORITY'S  
5 funding from which payment can be made. No legal liability on the part of AUTHORITY  
6 shall arise for payment beyond June 30 of each calendar year unless funds are made  
7 available for such payment. In the event that such funds are not forthcoming for any  
8 reason, AUTHORITY shall immediately notify CONTRACTOR in writing, and this  
9 Agreement shall be deemed terminated and have no further force and effect.  
10 CONTRACTOR shall not receive any fees for any day that CONTRACTOR does not  
11 conduct an inspection pursuant to this Agreement.

12 **3.5** CONTRACTOR acknowledges and agrees that this Agreement and the  
13 provision of services hereunder is nonexclusive and that the AUTHORITY may enter into  
14 similar agreements with other entities for the provision of similar services.

15 **3.6** The CONTRACTOR agrees that if, during the period of performance,  
16 AUTHORITY determines that the total Contracted Amount will not be expended,  
17 AUTHORITY, in its sole and absolute discretion, reserves the right to reduce the  
18 Contracted Amount, as determined by a review of CONTRACTOR'S invoices. Any  
19 reductions will be made in accordance with the terms outlined below in Paragraph 4  
20 and/or Paragraph 5.

21

22 **4. Alteration or Changes to the Agreement**

23 **4.1** No alteration or variation of the terms of this Agreement shall be valid  
24 unless made in writing and signed by the parties hereto, and no oral understanding or  
25 agreement not incorporated herein shall be binding on any of the parties hereto. No  
26 additional services shall be performed by CONTRACTOR without a written amendment  
27 to this Agreement.

28 **4.2** CONTRACTOR understands that the Executive Director or designee are

1 the only authorized representatives who may at any time, by written order, make any  
2 alterations within the general scope of this Agreement.

3 **4.3** Reserved.

4 **4.4** If any new or additional HQS requirements or standards are adopted or  
5 required by the County of Riverside, the State of California, or the U.S. Government,  
6 during the term of this Agreement, those measures shall be considered the new  
7 standards and shall replace the relevant Scope of Service requirements upon written  
8 notice to the CONTRACTOR.

9 **4.5** Any claim by the CONTRACTOR for additional payment related to this  
10 Agreement shall be made in writing by the CONTRACTOR within 30 days of when the  
11 CONTRACTOR has or should have notice of any actual or claimed change in the Scope  
12 of Service, which results in additional and unanticipated cost to the CONTRACTOR. If  
13 the Contracting Officer decides that the facts provide sufficient justification, he may  
14 authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in  
15 this Paragraph 4 shall excuse the CONTRACTOR from proceeding with performance of  
16 the Agreement even if there has been a change in the Scope of Service.

17

18 **5. Termination**

19 **5.1** AUTHORITY may, by written notice to CONTRACTOR, terminate this  
20 Agreement in whole or in part at any time. Such termination may be for AUTHORITY'S  
21 convenience or because of CONTRACTOR'S failure to perform its duties and obligations  
22 under this Agreement including, but not limited to, the failure of CONTRACTOR to timely  
23 perform services pursuant to this Agreement, including, but not limited to the Scope of  
24 Service attached hereto as Exhibit "A" and the Services.

25 **5.2 Discontinuance of Services.** Upon Termination, CONTRACTOR shall,  
26 unless otherwise directed by the notice, discontinue all services and deliver to  
27 AUTHORITY all data, estimates, graphs, summaries, reports, and other related materials  
28 as may have been prepared or accumulated by CONTRACTOR in performance of

1 services, whether completed or in progress.

2 **5.3** Effect of Termination for Convenience. If the termination is to be for the  
3 convenience of AUTHORITY, then AUTHORITY shall compensate CONTRACTOR for  
4 services satisfactorily provided through the date of termination. CONTRACTOR shall  
5 provide documentation deemed adequate by AUTHORITY to show the services actually  
6 completed by CONTRACTOR prior to the date of termination. This Agreement shall  
7 terminate thirty (30) days following receipt by CONTRACTOR of the written notice of  
8 termination.

9 **5.4** Effect of Termination for Cause. If the termination is due to the failure of  
10 CONTRACTOR to fulfill its obligations under this Agreement, CONTRACTOR shall be  
11 compensated for those services which have been completed in accordance with this  
12 Agreement and accepted by AUTHORITY. In such case, AUTHORITY may take over  
13 the work and prosecute the same to completion by contract or otherwise. Further,  
14 CONTRACTOR shall be liable to AUTHORITY for any reasonable additional costs  
15 incurred by AUTHORITY to revise work for which AUTHORITY has compensated  
16 CONTRACTOR under this Agreement, but which the AUTHORITY has determined in its  
17 sole discretion needs to be revised in part or whole to complete the project. Prior to  
18 discontinuance of services, AUTHORITY may arrange for a meeting with  
19 CONTRACTOR to determine what steps, if any, CONTRACTOR can take to adequately  
20 fulfill its requirements under this Agreement. In its sole discretion, AUTHORITY may  
21 propose an adjustment to the terms and conditions of the Agreement, including the  
22 contract price. Such contract adjustments, if accepted in writing by the parties, shall  
23 become binding on CONTRACTOR and shall be performed as part of this Agreement.  
24 In the event of termination for cause, unless otherwise agreed to in writing by the parties,  
25 this Agreement shall terminate seven (7) days following the date the notice of termination  
26 was mailed to CONTRACTOR. Termination of this Agreement for cause may be  
27 considered by AUTHORITY in determining whether to enter into future agreements with  
28 CONTRACTOR.

1           **5.5**     Notwithstanding any of the provisions of this Agreement, CONTRACTOR'S  
2 rights under this Agreement shall terminate (except for fees accrued prior to the date of  
3 termination) upon dishonesty, or a willful or material breach of this Agreement by  
4 CONTRACTOR, or in the event of CONTRACTOR'S unwillingness or inability for any  
5 reason whatsoever to perform the duties hereunder, or if the Agreement is terminated  
6 pursuant to this Paragraph 5. In such event, CONTRACTOR shall not be entitled to any  
7 further compensation under this Agreement.

8           **5.6**     If this Agreement is federally or State funded, CONTRACTOR cannot be  
9 debarred from the System for Award Management (SAM). CONTRACTOR must notify  
10 AUTHORITY immediately of a debarment. Reference: System for Award Management  
11 (SAM) at <https://www.sam.gov> for the Central Contractor Registry (CCR), Federal  
12 Agency Registration (FedReg), Online Representations and Certifications Application,  
13 (ORCA) and Excluded Parties List System (EPLS). (Executive Order 12549, 7 CFR Part  
14 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM)  
15 is the Official U.S. Government system that consolidated the capabilities of CCR,  
16 FedReg, ORCA, and EPLS.

17           **5.7**     The rights and remedies of AUTHORITY provided in this Paragraph 5 shall  
18 not be exclusive and are in addition to any other rights and remedies provided by law or  
19 this Agreement.  
20

21     **6.     Ownership/Use of Contract Materials and Products**

22 CONTRACTOR agrees that all materials, reports, or products in any form, including  
23 electronic, created by CONTRACTOR for which CONTRACTOR has been compensated  
24 by AUTHORITY pursuant to this Agreement shall be the sole property of AUTHORITY.  
25 The material, reports or products may be used by the AUTHORITY for any purpose that  
26 AUTHORITY deems to be appropriate, including, but not limit to, duplication and/or  
27 distribution within AUTHORITY or to third parties. CONTRACTOR agrees not to release  
28



1 or circulate in whole or part such materials, reports, or products without prior written  
2 authorization of AUTHORITY.

3  
4 **7. Conduct of Contractor**

5 **7.1** CONTRACTOR covenants that it presently has no interest, including but  
6 not limited to, other projects or independent contracts, and shall not acquire any such  
7 interest, direct or indirect, which would conflict in any manner or degree with the  
8 performance of services required under this Agreement. CONTRACTOR further  
9 covenants that in the performance of this Agreement, no person having any such interest  
10 shall be employed or retained by it under this Agreement. CONTRACTOR agrees to  
11 inform AUTHORITY of all CONTRACTOR'S interests, if any, which are or may be  
12 perceived as incompatible with AUTHORITY'S interests.

13 **7.2** CONTRACTOR shall not, under circumstances which could be interpreted  
14 as an attempt to influence the recipient in the conduct of his/her duties, accept any  
15 gratuity or special favor from individuals or firms with whom CONTRACTOR is doing  
16 business or proposing to do business, in accomplishing the work under this Agreement.

17 **7.3** CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and  
18 entertainment directly or indirectly to AUTHORITY employees.

19 **7.4** CONTRACTOR agrees to submit to AUTHORITY, prior to release, copies  
20 of any proposed publicity pertaining to this Agreement. AUTHORITY reserves the right  
21 to modify or withdraw said publicity, in its sole and absolute discretion.

22  
23 **8. Inspection of Service; Quality Control/Assurance**

24 **8.1** All performance (which includes services, workmanship, materials,  
25 supplies and equipment furnished or utilized in the performance of this Agreement) shall  
26 be subject to inspection and test by AUTHORITY or other regulatory agencies at all  
27 times. The CONTRACTOR shall provide adequate cooperation to AUTHORITY  
28 representative(s) to permit him/her to determine CONTRACTOR'S conformity with the

1 terms of this Agreement. If any services performed or products provided by  
2 CONTRACTOR are not in conformance with the terms of this Agreement, AUTHORITY  
3 shall have the right to require CONTRACTOR to perform the services or provide the  
4 products in conformance with the terms of the Agreement at no additional cost to  
5 AUTHORITY. When the services to be performed or the products to be provided are of  
6 such nature that the difference cannot be corrected, AUTHORITY shall have the right to:  
7 (1) require CONTRACTOR immediately to take all necessary steps to ensure future  
8 performance in conformity with the terms of the Agreement; and/or (2) reduce the  
9 Agreement price to reflect the reduced value of the services performed or products  
10 provided. AUTHORITY may also terminate this Agreement for default and charge to  
11 CONTRACTOR any costs incurred by AUTHORITY because of CONTRACTOR'S failure  
12 to perform.

13 **8.2** CONTRACTOR shall establish adequate procedures for self-monitoring to  
14 ensure proper performance under this Agreement; and shall permit AUTHORITY  
15 representative(s) to monitor, assess or evaluate CONTRACTOR'S performance under  
16 this Agreement at any time upon reasonable notice to CONTRACTOR.

17

18 **9. Independent Contractor/Employment Eligibility**

19 **9.1** CONTRACTOR is, for purposes relating to this Agreement, an  
20 independent contractor and shall not be deemed an employee of AUTHORITY. It is  
21 expressly understood and agreed that CONTRACTOR (including its employees, agents,  
22 and subcontractors) shall in no event be entitled to any benefits to which AUTHORITY  
23 employees are entitled, including but not limited to overtime, any retirement benefits,  
24 worker's compensation benefits, and injury leave or other leave benefits. There shall be  
25 no employer-employee relationship between the parties, and CONTRACTOR shall hold  
26 AUTHORITY harmless from any and all claims that may be made against AUTHORITY  
27 based upon any contention by a third party that an employer-employee relationship  
28 exists by reason of this Agreement. It is further understood and agreed by the parties

1 that CONTRACTOR in the performance of this Agreement is subject to the control or  
2 direction of AUTHORITY merely as to the results to be accomplished and not as to the  
3 means and methods for accomplishing the results.

4 **9.2** CONTRACTOR warrants that it shall make its best effort to fully comply  
5 with all federal and state statutes and regulations regarding the employment of aliens  
6 and others and to ensure that employees performing work under this Agreement meet  
7 the citizenship or alien status requirement set forth in federal statutes and regulations.  
8 CONTRACTOR shall obtain, from all employees performing work hereunder, all  
9 verification and other documentation of employment eligibility status required by federal  
10 or state statutes and regulations including, but not limited to, the Immigration Reform and  
11 Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be  
12 hereafter amended. CONTRACTOR shall retain all such documentation for all covered  
13 employees, for the period prescribed by the law.

14  
15 **10. Subcontract for Work or Services**

16 No contract shall be made by CONTRACTOR with any other party for furnishing  
17 any of the work or services under this Agreement without the prior written approval of  
18 AUTHORITY, but this provision shall not require the approval of contracts of employment  
19 between CONTRACTOR and personnel assigned under this Agreement, or for parties  
20 named in the proposal and agreed to under this Agreement.

21  
22 **11. Disputes**

23 **11.1** The parties shall attempt to resolve any disputes amicably at the working  
24 level. If that is not successful, the dispute shall be referred to the senior management of  
25 the parties. Any dispute relating to this Agreement which is not resolved by the parties  
26 shall be decided by the Contracting Officer who shall furnish the decision in writing. The  
27 decision of the Contracting Officer shall be final and conclusive unless determined by a  
28 court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so

1 grossly erroneous as necessarily to imply bad faith. CONTRACTOR shall proceed  
2 diligently with the performance of this Agreement pending the resolution of a dispute.

3 **11.2** Prior to the filing of any legal action related to this Agreement, the parties  
4 shall be obligated to attend a mediation session in Riverside County before a neutral  
5 third party mediator. A second mediation session shall be required if the first session is  
6 not successful. The parties shall share the cost of the mediations. Each party shall be  
7 responsible for its own legal fees and other expenses incident to the preparation for  
8 mediation.

9  
10 **12. Licensing and Permits**

11 CONTRACTOR shall comply with all State or other licensing requirements,  
12 including but not limited to the provisions of Chapter 9 of Division 3 of the Business and  
13 Professions Code. All licensing requirements shall be met at the time proposals are  
14 submitted to AUTHORITY. CONTRACTOR warrants that it has all necessary permits,  
15 approvals, certificates, waivers and exemptions necessary for performance of this  
16 Agreement as required by the laws and regulations of the United States, the State of  
17 California, the County of Riverside and all other governmental agencies with jurisdiction  
18 and shall maintain these throughout the term of this Agreement.

19  
20 **13. Data Security**

21 **13.1 Definitions:** Capitalized terms used herein shall have the meanings set  
22 forth in this Paragraph 13.

23 "Authorized Employees" means CONTRACTOR'S employees who have a need  
24 to know or otherwise access Personal Information to enable CONTRACTOR to perform  
25 its obligations under this Agreement.

26 "Authorized Persons" means (i) Authorized Employees; and (ii) CONTRACTOR'S  
27 subcontractors, agents, and auditors who have a need to know or otherwise access  
28 Personal Information to enable CONTRACTOR to perform its obligations under this

1 Agreement, and who are bound in writing by confidentiality obligations sufficient to  
2 protect Personal Information in accordance with the terms and conditions of this  
3 Agreement.

4 "Highly-Sensitive Personal Information" means an (i) individual's government-  
5 issued identification number (including social security number, driver's license number  
6 or state-issued identified number); (ii) financial account number, credit card number,  
7 debit card number, credit report information, with or without any required security code,  
8 access code, personal identification number or password, that would permit access to  
9 an individual's financial account; or (iii) biometric or health data.

10 "Personal Information" means information provided to CONTRACTOR by or at  
11 the direction of AUTHORITY, or to which access was provided to CONTRACTOR by or  
12 at the direction of AUTHORITY, in the course of CONTRACTOR'S performance under  
13 this Agreement that: (i) identifies or can be used to identify an individual (including,  
14 without limitation, names, signatures, addresses, telephone numbers, e-mail addresses  
15 and other unique identifiers); or (ii) can be used to authenticate an individual (including,  
16 without limitation, employee identification numbers, government-issued identification  
17 numbers, passwords or PINs, financial account numbers, credit report information,  
18 biometric or health data, answers to security questions and other personal identifiers), in  
19 case of both subclauses (i) and (ii), including, without limitation, all Highly-Sensitive  
20 Personal Information. Business contact information is not by itself deemed to be  
21 Personal Information.

22 **13.2 Standard of Care:**

23 **A.** CONTRACTOR acknowledges and agrees that, in the course of its  
24 engagement by AUTHORITY, CONTRACTOR may receive or have access to Personal  
25 Information. CONTRACTOR shall comply with the terms and conditions set forth in this  
26 Agreement in its collection, receipt, transmission, storage, disposal, use and disclosure  
27 of such Personal Information and be responsible for the unauthorized collection, receipt,  
28 transmission, access, storage, disposal, use and disclosure of Personal Information

1 under its control or in its possession by all Authorized Employees/Authorized Persons.  
2 CONTRACTOR shall be responsible for, and remain liable to, AUTHORITY for the  
3 actions and omissions of all Authorized Persons that are not Authorized Employees  
4 concerning the treatment of Personal Information as if they were CONTRACTOR's own  
5 actions and omissions.

6 **B. Personal Information** is deemed to be Confidential Information of AUTHORITY  
7 and is not Confidential Information of CONTRACTOR. In the event of a conflict or  
8 inconsistency between this Section 13 and compliance with California law, the terms and  
9 conditions set forth in this Section 13 shall govern and control.

10 **C. In recognition of the foregoing,** CONTRACTOR agrees and covenants that it  
11 shall:

- 12 (i) keep and maintain all Personal Information in strict confidence, using such  
13 degree of care as is appropriate to avoid unauthorized access, use or disclosure;
- 14 (ii) use and disclose Personal Information solely and exclusively for the purposes  
15 for which the Personal Information, or access to it, is provided pursuant to the  
16 terms and conditions of this Agreement, and not use, sell, rent, transfer, distribute,  
17 or otherwise disclose or make available Personal Information for  
18 CONTRACTOR'S own purposes or for the benefit of anyone other than  
19 AUTHORITY, in each case, without AUTHORITY'S prior written consent; and
- 20 (iii) not, directly or indirectly, disclose Personal Information to any person other  
21 than its Authorized Employees/Authorized Persons, (an "Unauthorized Third  
22 Party"), without express written consent from AUTHORITY, unless and to the  
23 extent required by government authorities or as otherwise to the extent expressly  
24 required by applicable law, in which case, CONTRACTOR shall (i) use best efforts  
25 to notify AUTHORITY before such disclosure or as soon thereafter as reasonably  
26 possible; and (ii) require the Unauthorized Third Party that has access to Personal  
27 Information to execute a written agreement agreeing to comply with the terms and  
28 conditions of this Agreement relating to the treatment of Personal Information.

1           **13.3 Information Security:**

2           **A.** CONTRACTOR represents and warrants that its collection, access, use,  
3 storage, disposal and disclosure of Personal Information does and will comply with all  
4 applicable federal, state, privacy and data protection laws, as well as all other applicable  
5 regulations and directives.

6           **B.** At a minimum, CONTRACTOR'S safeguards for the protection of Personal  
7 Information shall include: (i) limiting access of Personal Information to Authorized  
8 Employees/Authorized Persons; (ii) securing business facilities, data centers, paper files,  
9 servers, back-up systems and computing equipment, including, but not limited to, all  
10 mobile devices and other equipment with information storage capability; (iii)  
11 implementing network, device application, database and platform security; (iv) securing  
12 information transmission, storage and disposal; (v) implementing authentication and  
13 access controls within media, applications, operating systems and equipment; (vi)  
14 encrypting Highly-Sensitive Personal Information stored on any mobile media; (vii)  
15 encrypting Highly-Sensitive Personal Information transmitted over public or wireless  
16 networks; (viii) strictly segregating Personal Information from information of  
17 CONTRACTOR or its other customers so that Personal Information is not commingled  
18 with any other types of information; (ix) implementing appropriate personnel security and  
19 integrity procedures and practices, including, but not limited to, conducting background  
20 checks consistent with applicable law; and (x) providing appropriate privacy and  
21 information security training to CONTRACTOR'S employees.

22

23           **14. Non-Discrimination**

24           CONTRACTOR shall not discriminate in the provision of services, allocation of  
25 benefits, accommodation in facilities, or employment of personnel on the basis of ethnic  
26 group identification, race, religious creed, color, national origin, ancestry, physical  
27 handicap, medical condition, marital status or sex in the performance of this Agreement;  
28 and, to the extent they shall be found to be applicable hereto, shall comply with the

1 provisions of the California Fair Employment Practices Act (commencing with Section  
2 1410 of the Labor Code), the Federal Civil Rights Act of 1964 (P.L. 88-352), the  
3 Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.) and all other  
4 applicable laws or regulations.

5

6 **15. Records and Documents**

7 CONTRACTOR shall make available, upon written request by any duly authorized  
8 Federal, State or County agency, a copy of this Agreement and such books, documents,  
9 and records as are necessary to certify the nature and extent of the CONTRACTOR'S  
10 costs related to this Agreement. All such books, documents and records shall be  
11 maintained by CONTRACTOR for at least five (5) years following termination of this  
12 Agreement and be available for audit by AUTHORITY. CONTRACTOR shall provide to  
13 AUTHORITY reports and information related to this Agreement as requested by  
14 AUTHORITY.

15

16 **16. Confidentiality**

17 **16.1** CONTRACTOR shall not use for personal gain or make other improper use  
18 of privileged or confidential information which is acquired in connection with this  
19 Agreement. The term "privileged or confidential information" includes but is not limited to:  
20 unpublished or sensitive technological or scientific information; medical, personnel, or  
21 security records; anticipated material requirements or pricing/purchasing actions;  
22 AUTHORITY information or data which is not subject to public disclosure; AUTHORITY  
23 operational procedures; and knowledge of selection of contractors, subcontractors or  
24 suppliers in advance of official announcement.

25 **16.2** CONTRACTOR shall protect from unauthorized disclosure, names and  
26 other identifying information concerning persons receiving services pursuant to this  
27 Agreement, except for general statistical information not identifying any person.  
28 CONTRACTOR shall not use such information for any purpose other than carrying out



1 CONTRACTOR'S obligations under this Agreement. CONTRACTOR shall promptly  
2 transmit to AUTHORITY all third-party requests for disclosure of such information.  
3 CONTRACTOR shall not disclose, except as otherwise specifically permitted by this  
4 Agreement or authorized in advance in writing by AUTHORITY, any such information to  
5 anyone other than AUTHORITY. For purposes of this Paragraph 16, identity shall include,  
6 but not be limited to, name, date of birth, social security number, symbol, identifying  
7 number, or other identifying particulars assigned to the individual, such as finger or voice  
8 print or a photograph.

9 **16.3** CONTRACTOR is subject to and shall operate in compliance with all  
10 relevant requirements contained in the Health Insurance Portability and Accountability  
11 Act (HIPAA) for sensitive patient data protection. Companies that deal with protected  
12 health information (PHI) must have physical, network, and process security measures in  
13 place and follow them to ensure HIPAA Compliance. Covered entities (anyone providing  
14 treatment, payment, and operations in healthcare) and business associates (anyone who  
15 has access to patient information and provides support in treatment, payment, or  
16 operations) must meet HIPAA Compliance. Other entities, such as subcontractors and  
17 any other related business associates must also be in compliance with HIPAA and the  
18 related laws and regulations promulgated subsequent thereto.

19  
20 **17. Administration/Contract Liaison**

21 The Executive Director or designee, shall administer this Agreement on behalf of  
22 AUTHORITY and is authorized to take any and all actions on behalf of AUTHORITY as  
23 set forth herein and to terminate services in accordance with Paragraph 5 of this  
24 Agreement. Whenever a reference is made herein to an action or approval to be  
25 undertaken by AUTHORITY, the Executive Director, or designee, is authorized to act  
26 unless this Agreement specifically provides otherwise.

27  
28 **18. Notices**

1 All correspondence and notices required or contemplated by this Agreement shall  
2 be delivered to the respective parties at the addresses set forth below, or at such other  
3 address provided by a party in writing, and are deemed submitted one (1) day after their  
4 deposit in the United States Mail, postage prepaid:

5 **AUTHORITY**

6 Housing Authority of the County of Riverside  
7 5555 Arlington Avenue, Riverside, CA 92504  
8 Attention: Deputy Executive Director

9 **CONTRACTOR**

10 NMAI, LLC  
11 1810 Gillespie Way, Suite 202 El Cajon, California 92020  
12 Attention: Carrol M. Vaughan

13 **19. Force Majeure**

14 If either party is unable to comply with any provision of this Agreement due to  
15 causes beyond its reasonable control, and which could not have been reasonably  
16 anticipated, such as Acts of God, acts of war, civil disorders, or other similar acts, such  
17 party shall not be held liable for such failure to comply, provided the subject party  
18 provides written notice to the other party no later than five (5) days after the  
19 commencement of such force majeure event.

20 **20. EDD Reporting Requirements**

21 In order to comply with child support enforcement requirements of the State of  
22 California, AUTHORITY may be required to submit a Report of Independent  
23 Contractor(s) form **DE 542** to the Employment Development Department ("EDD").  
24 CONTRACTOR agrees to furnish the required data and certifications to AUTHORITY  
25 within 10 days of notification of award of Agreement when required by the EDD. This  
26 data will be transmitted to governmental agencies charged with the establishment and  
27 enforcement of child support orders. Failure of CONTRACTOR to timely submit the data  
28 and/or certificates required may result in the contract being award to another

1 CONTRACTOR. In the event a contract has been issued, failure of CONTRACTOR to  
2 comply with all federal and state reporting requirements for child support enforcement or  
3 to comply with all lawfully served Wage and Earnings Assignments Orders and Notice of  
4 Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any  
5 questions concerning this reporting requirement, please call (916) 657-0529.  
6 CONTRACTOR should also contact its local Employment Tax Customer Service Office  
7 listed in the telephone directory in the State Government section under "Employment  
8 Development Department" or access their Internet site at [www.edd.ca.gov](http://www.edd.ca.gov).

9  
10 **21. Hold Harmless/Indemnification**

11 **21.1** CONTRACTOR shall indemnify and hold harmless Community Action  
12 Partnership Riverside, the County of Riverside, its Agencies, Districts, Special Districts  
13 and Departments, their respective directors, officers, Board of Supervisors, elected and  
14 appointed officials, employees, agents and representatives (collectively, "Indemnified  
15 Parties") from any liability, claim, damage or action whatsoever, based or asserted upon  
16 any act or omission of CONTRACTOR, its officers, employees, subcontractors, agents  
17 or representatives arising out of or in any way relating to this Agreement, including but  
18 not limited to property damage, bodily injury, or death. CONTRACTOR shall defend, at  
19 its sole cost and expense, including but not limited to attorney fees, cost of investigation,  
20 defense and settlements or awards, the Community Action Partnership - Riverside, the  
21 County of Riverside, its respective Agencies, Districts, Special Districts and  
22 Departments, their respective directors, officers, Board of Supervisors, Board of  
23 Commissioners, elected and appointed officials, employees, agents and representatives  
24 in any such action or claim.

25 **21.2** With respect to any action or claim subject to indemnification herein by  
26 CONTRACTOR, CONTRACTOR shall, at its sole cost, have the right to use counsel of  
27 its own choice and shall have the right to adjust, settle, or compromise any such action  
28 or claim without the prior consent of AUTHORITY; provided, however, that any such

1 adjustment, settlement or compromise in no manner whatsoever limits or circumscribes  
2 CONTRACTOR'S indemnification of AUTHORITY and the Indemnified Parties.

3 **21.3** CONTRACTOR'S obligations hereunder shall be satisfied when  
4 CONTRACTOR has provided to AUTHORITY the appropriate form of dismissal (or  
5 similar document) relieving AUTHORITY from any liability for the action or claim involved.

6 **21.4** The specified insurance limits required in this Agreement shall in no way  
7 limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the  
8 AUTHORITY and Indemnified Parties.

9 **21.5** In the event there is conflict between this clause and California Civil Code  
10 Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such  
11 interpretation shall not relieve CONTRACTOR from indemnifying AUTHORITY to the  
12 fullest extent allowed by law. The indemnification and hold harmless obligations set forth  
13 in this Paragraph 21 shall survive the termination and expiration of this Agreement.

14

15 **22. Insurance**

16 Without limiting or diminishing CONTRACTOR'S obligation to indemnify or hold  
17 AUTHORITY harmless, CONTRACTOR shall procure and maintain or cause to be  
18 maintained, at its sole cost and expense, the following insurance coverage during the  
19 term of this Agreement. As respects to the insurance section only, AUTHORITY herein  
20 refers to the Community Action Partnership - Riverside, the County of Riverside, its  
21 respective Agencies, Districts, Special Districts, and Departments, their respective  
22 directors, officers, Board of Supervisors, Board of Commissioners, employees, elected  
23 or appointed officials, agents or representatives as Additional Insureds.

24 **A. Workers' Compensation:**

25 If the CONTRACTOR has employees as defined by the State of California, the  
26 CONTRACTOR shall maintain statutory Workers' Compensation Insurance  
27 (Coverage A) as prescribed by the laws of the State of California. Policy shall  
28

1 include Employers' Liability (Coverage B) including Occupational Disease with  
2 limits not less than \$1,000,000 per person per accident. The policy shall be  
3 endorsed to waive subrogation in favor of AUTHORITY.

4 **B. Commercial General Liability:**

5 Commercial General Liability insurance coverage, including but not limited to,  
6 premises liability, unmodified contractual liability, products and completed  
7 operations liability, personal and advertising injury, and cross liability coverage,  
8 covering claims which may arise from or out of CONTRACTOR'S performance of  
9 its obligations hereunder. Policy shall name AUTHORITY as Additional Insured.  
10 Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined  
11 single limit. If such insurance contains a general aggregate limit, it shall apply  
12 separately to this agreement or be no less than two (2) times the occurrence limit.

13 **C. Vehicle Liability:**

14 If vehicles or mobile equipment are used in the performance of the obligations  
15 under this Agreement, then CONTRACTOR shall maintain liability insurance for all  
16 owned, non-owned or hired vehicles so used in an amount not less than  
17 \$1,000,000 per occurrence combined single limit. If such insurance contains a  
18 general aggregate limit, it shall apply separately to this agreement or be no less  
19 than two (2) times the occurrence limit. Policy shall name the AUTHORITY as  
20 Additional Insureds.

21 **D. Professional Liability:**

22 If required, CONTRACTOR shall maintain Professional Liability Insurance  
23 providing coverage for the CONTRACTOR'S performance of work included within  
24 this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence  
25 and \$2,000,000 annual aggregate. If CONTRACTOR'S Professional Liability  
26 Insurance is written on a claims made basis rather than an occurrence basis, such  
27 insurance shall continue through the term of this Agreement and CONTRACTOR  
28

1 shall purchase at his sole expense either:

- 2 1) An Extended Reporting Endorsement (also, known as Tail Coverage); or  
3 2) Prior Dates Coverage from new insurer with a retroactive date back to  
4 the date of, or prior to, the inception of this Agreement; or,  
5 3) Demonstrate through Certificates of Insurance that CONTRACTOR has  
6 maintained continuous coverage with the same or original  
7 insurer. Coverage provided under items; 1), 2) or 3) will continue as long  
8 as the law allows.

9 **E. General Insurance Provisions - All lines:**

10 1) Any insurance carrier providing insurance coverage hereunder shall be  
11 admitted to the State of California and have an A M BEST rating of not less  
12 than A: VIII (A:8) unless such requirements are waived, in writing, by the  
13 County of Riverside's Risk Manager. If the County's Risk Manager waives  
14 a requirement for a particular insurer such waiver is only valid for that  
15 specific insurer and only for one policy term.

16 2) The CONTRACTOR shall declare its insurance self-insured retention for  
17 each coverage required herein. If any such self-insured retention exceeds  
18 \$500,000 per occurrence each such retention shall have the prior written  
19 consent of the Risk Manager before the commencement of operations  
20 under this Agreement. Upon notification of self-insured retention  
21 unacceptable to AUTHORITY, and at the election of the County's Risk  
22 Manager, CONTRACTOR'S carriers shall either; 1) Reduce or eliminate  
23 such self-insured retention as respects this Agreement with AUTHORITY,  
24 or 2) Procure a bond which guarantees payment of losses and related  
25 investigations, claims administration, and defense costs and expenses.

26 3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to  
27 furnish AUTHORITY with either 1) a properly executed original Certificate(s)  
28

1 of Insurance and certified original copies of Endorsements effecting  
2 coverage as required herein, and 2) if requested to do so orally or in writing  
3 by the County's Risk Manager, provide original Certified copies of policies  
4 including all Endorsements and all attachments thereto, showing such  
5 insurance is in full force and effect. Further, said Certificate(s), and policies  
6 of insurance shall contain the covenant of the insurance carrier(s) that thirty  
7 (30) days written notice shall be given to the AUTHORITY prior to any  
8 material modification, cancellation, expiration or reduction in coverage of  
9 such insurance. In the event of a material modification, cancellation,  
10 expiration, or reduction in coverage, this Agreement shall terminate  
11 forthwith, unless the AUTHORITY receives, prior to such effective date,  
12 another properly executed original Certificate of Insurance and original  
13 copies of endorsements or certified original policies, including all  
14 endorsements and attachments thereto evidencing coverage's set forth  
15 herein and the insurance required herein is in full force and effect.

16 ***CONTRACTOR shall not commence operations until the AUTHORITY***  
17 ***has been furnished original Certificate(s) of Insurance and certified***  
18 ***original copies of endorsements and if requested, review original of***  
19 ***the policies of insurance including all endorsements and any and all***  
20 ***other attachments as required in this Section. An individual authorized***  
21 ***by the insurance carrier to do so on its behalf shall sign the original***  
22 ***endorsements for each policy and the Certificate of Insurance. Upon***  
23 ***AUTHORITY'S request, CONTRACTOR shall make available for***  
24 ***inspection by County's Risk Manager, at a mutually agreeable***  
25 ***location, copies of CONTRACTOR'S insurance policies.***

26 4) It is understood and agreed to by the parties hereto and the insurance  
27 company(s) that the CONTRACTOR'S insurance shall be construed as  
28 primary insurance, and the AUTHORITY'S insurance and/or deductible

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and/or self-insured retentions' or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the Scope of Service or, there is a material change in the equipment to be used in the performance of the Scope of Service or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; AUTHORITY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County's Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to AUTHORITY.

8) CONTRACTOR agrees to notify AUTHORITY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

**23. General**

**23.1** CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of AUTHORITY.

**23.2** Any waiver by AUTHORITY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of AUTHORITY to require exact, full and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or estopping AUTHORITY from enforcement of the terms of this Agreement.



1           **23.3** In the event CONTRACTOR receives payment under this Agreement  
2 which is later disallowed by AUTHORITY for nonconformance with the terms of the  
3 Agreement, CONTRACTOR shall promptly refund the disallowed amount to  
4 AUTHORITY on request; or at its option, AUTHORITY may offset the amount disallowed  
5 from any payment due to CONTRACTOR.

6           **23.4** CONTRACTOR shall not provide partial delivery or shipment of services  
7 or products unless specifically stated in the Agreement.

8           **23.5** CONTRACTOR shall not provide any services or products subject to any  
9 chattel mortgage or under a conditional sales contract or other agreement by which an  
10 interest is retained by a third party. The CONTRACTOR warrants that it has good title to  
11 all materials or products used by CONTRACTOR or provided to AUTHORITY pursuant  
12 to this Agreement, free from all liens, claims, or encumbrances.

13           **23.6** Nothing in this Agreement shall prohibit AUTHORITY from acquiring the  
14 same type or equivalent equipment, products, materials, or services from other sources,  
15 when deemed by AUTHORITY to be in its best interest. AUTHORITY reserves the right  
16 to purchase more or less than the quantities specified in this Agreement.

17           **23.7** AUTHORITY agrees to cooperate with CONTRACTOR in the  
18 CONTRACTOR'S performance under this Agreement, including, if stated in the  
19 Agreement, providing the CONTRACTOR with reasonable facilities and timely access to  
20 AUTHORITY data, information and personnel.

21           **23.8** CONTRACTOR shall comply with all applicable Federal, State, and local  
22 laws and regulations. CONTRACTOR shall comply with all applicable AUTHORITY  
23 policies and procedures. In the event that there is a conflict between the various laws or  
24 regulations that may apply, CONTRACTOR shall comply with the more restrictive law or  
25 regulation.

26           **23.9** CONTRACTOR shall comply with all air pollution control, water pollution,  
27 safety and health ordinances, statutes, or regulations, which apply to performance under  
28 this Agreement.

1           **23.10** CONTRACTOR shall comply with all requirements of the Occupational  
2 Safety and Health Administration (OSHA) standards and codes as set forth by the U.S.  
3 Department of Labor and the State of California (Cal/OSHA).

4           **23.11** This Agreement shall be governed by the laws of the State of California.  
5 Any legal action related to the performance or interpretation of this Agreement shall be  
6 filed only in the Superior Court of the State of California located in Riverside, California,  
7 and the parties waive any provision of law providing for a change of venue to another  
8 location. In the event any provision in this Agreement is held by a court of competent  
9 jurisdiction to be invalid, void, or unenforceable, the remaining provisions will  
10 nevertheless continue in full force without being impaired or invalidated in any way.

11           **23.12** If any project produces patentable items, patent rights, processes, or  
12 inventions in the course of work under a Department of Labor (DOL) grant or agreement,  
13 the CONTRACTOR shall report the fact promptly and fully to AUTHORITY. AUTHORITY  
14 shall report the fact to the Grant Officer at DOL. Unless there is a prior agreement  
15 between AUTHORITY and the DOL or its representative on these matters, DOL shall  
16 determine whether to seek protection on the invention or discovery. DOL or its  
17 representative shall determine how the rights in the invention or discovery, including  
18 rights under any patent issued thereon, will be allocated and administered in order to  
19 protect the public interest consistent with the following Patent Policy found at 29 CFR  
20 95.36 and 29 CFR 97.34.

21           **23.13** Unless otherwise provided in the terms of this Agreement, when  
22 copyrighted material is developed in the course of or under this Agreement, the author  
23 and AUTHORITY are free to use the copyrighted material or to permit others to do so.  
24 AUTHORITY and the County of Riverside shall have a royalty-free, non-exclusive, and  
25 irrevocable license to produce, publish, and use and to authorize other to use all  
26 copyrighted material.

27           **23.14** The CONTRACTOR shall assure that funds provided by this Agreement  
28 must be used exclusively for activities that are authorized by AUTHORITY. Co-mingling

1 and/or diverting of funds to support the activities of other programs are not authorized.  
2 Documentation supporting expenditures will be kept on file at the CONTRACTOR office  
3 and made available at all times for audit and monitoring purposes for a period of no less  
4 than five (5) years after the AUTHORITY makes final payment and all pending matters  
5 are closed.

6 **23.15** The CONTRACTOR shall establish and implement appropriate internal  
7 management procedures to prevent fraud, abuse, and criminal activity. Further, the  
8 CONTRACTOR shall establish a reporting process to ensure that AUTHORITY is  
9 notified immediately of any allegation of fraud, abuse, or criminal activity or any  
10 suspected or proven fraud, abuse or criminal acts committed by staff or participants. If  
11 the allegation is of any emergency and/or fiscal nature, it shall be reported to the County  
12 of Riverside's Administration Unit at (951) 955-3100, and immediately thereafter, a  
13 written report shall be submitted to AUTHORITY. Proof of such report will be maintained  
14 in the CONTRACTOR'S file.

15  
16 **24. Reserved**

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18 **25. Nonliability of HACR Officials and HACR Employees**

19 No member, official employee, consultant, or volunteer of AUTHORITY shall be  
20 personally liable to the CONTRACTOR, or any successor in interest, in the event of any  
21 default or breach by the AUTHORITY for any amount which may become due to the  
22 CONTRACTOR or to its successor, or on any obligation under the terms of this  
23 Agreement.

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25 **26. No Third Party Beneficiaries**

26 The parties intend that no rights nor remedies be granted to any third party as a  
27 beneficiary of this Agreement or of any covenant, duty, obligation or undertaking  
28 established herein.

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**27. Entire Agreement**

This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions, and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

**28. Electronic Signatures**

In the event that any signature is delivered by facsimile or electronic transmission, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as though such facsimile or electronic signature page were an original thereof.

[Signatures on Next Page]

1 IN WITNESS WHEREOF, the parties hereto have caused their duly authorized  
2 representatives to execute this Agreement as of the dates set forth below:


3  
4  
5 **AUTHORITY:**

6 HOUSING AUTHORITY OF THE  
7 COUNTY OF RIVERSIDE, a public entity  
8 corporate and politic

9 **CONTRACTOR:**

10 NMAI LLC, a California limited liability  
11 company

12 By: \_\_\_\_\_  
13 Carrie Harmon,  
14 Deputy Executive Director

15 By:   
16 John McKay,  
17 Manager

18 Dated: \_\_\_\_\_

19 Dated: 7/26/22

20 **APPROVED AS TO FORM:**

21 County Counsel

22 By:   
23 Amrit Dhillon,  
24 Deputy County Counsel

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**EXHIBIT A**  
**SCOPE OF SERVICES**

NMAI, LLC, a California limited liability company ("CONTRACTOR") shall provide the following services to the Housing Authority of the County of Riverside ("AUTHORITY") as required in that certain Professional Services Agreement for HQS Inspection Services ("Agreement"):

1. CONTRACTOR shall, as required by applicable law or regulation, provide all required Housing Quality Standard (HQS) inspection and related administrative services for the 1200 Housing Choice Voucher (HCV) scattered sites and at all apartments within the 19 public housing sites, otherwise known as, "RAD Sites", throughout Riverside County, (Collectively, the "Units").

2. CONTRACTOR shall inspect all Units, including any additional Units identified by AUTHORITY at a later date, in accordance with Housing Quality Standards, as set forth in 24 CFR 982.401 and AUTHORITY policy.

3. All CONTRACTOR'S inspectors shall be fully trained, certified, and knowledgeable of the U.S. Dept. of Housing and Urban Development (HUD) protocol. Inspectors for these services must be certified by a reputable HUD-approved company/association, (e.g. Nan McKay, NAHRO, etc.).

4. CONTRACTOR shall provide completed inspection results to AUTHORITY and local HUD field office within the specified time frame as well as a completed inspection report/form for each inspection performed, if such is required by HUD and/or AUTHORITY.

5. CONTRACTOR shall provide all administrative services, including but not limited to; appointment notifications, results notifications, attendance at hearings, call center access and any re-inspection notifications.

6. AUTHORITY shall provide electronic tablets with software for each inspector. Inspection results should be downloaded at the main office each day.

7. AUTHORITY may add additional Units and/or low-income housing sites or remove Units and sites as needed, for HQS Inspections at any time. AUTHORITY shall notify CONTRACTOR in writing of any such additions or removals.

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**EXHIBIT B**  
**SACRAMENTO RFP for HQS INSPECTION SERVICE**  
**(behind this page)**





# **The Sacramento Housing and Redevelopment Agency**

## **Request for Proposals**

### **Housing Quality Standards Inspection Services**

**RFP # 2201-DS**

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# **Sacramento Housing and Redevelopment Agency**

## **Request for Proposals**

### **Housing Quality Standards Inspection Services**

**RFP # 2201-DS**

**Issued: February 2, 2022**

### **The Project**

#### **Introduction:**

The Sacramento Housing and Redevelopment Agency (SHRA), on behalf of the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento, is requesting proposals from firms interested in providing Housing Quality Standards (HQS) Inspection Services to SHRA. This solicitation is intended to provide inspection services for SHRA's rental assistance programs: Housing Choice Voucher (HCV) and Public Housing programs. The residential units to be inspected are located throughout the City and County of Sacramento.

The Sacramento Housing and Redevelopment Agency is a Joint Powers Authority (JPA) created as a public agency for the City and County of Sacramento in 1973. SHRA is the lead agency and developer for the City and County regarding affordable housing, community development, public housing and redevelopment projects. The Housing Authority (HA) provides affordable housing for a population of over 66,000 individuals through the Conventional Low Rent Public Housing Program, Housing Choice Voucher Program, Continuum of Care funds, and through selective use of tax credit and long term bond financed developments for very low and low-income families, seniors, and disabled individuals.

The Housing Choice Voucher (HCV) and Continuum of Care programs make privately owned properties affordable for over 12,600 very low-income families through rent subsidies paid to private owners. The Housing Authority must comply with requirements of the Department of Housing and Urban Development (HUD) in the administration of the HCV program. As such, Housing Quality Standards (HQS) are the HUD minimum quality standards for the tenant based program. All units occupied by HCV participants must meet this standard. To ensure that this requirement is met, inspections of units are conducted at the initial occupancy and annually or biennially during the term of the lease (depending on the HUD program guidelines). HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and contract.

## **Scope of Services**

### **Scope of Services and Performance Standards:**

The selected firm will be required to perform all annual and biennial Housing Quality Standards (HQS) inspections for the Housing Choice Voucher (HCV) program. At least 12,600 units will be inspected every 12 or 24 months, and 100% of such units shall be inspected within 12 or 24 months of their last inspection date as required by program regulations. Based on past experience approximately 20 – 40% of the units will require re-inspections due to failures noted during the annual inspection. It is the goal of the Housing Authority (HA) to work in concert with the selected firm to reduce the number of re-inspections through education and outreach to existing property owners.

The selected firm shall provide the following general services:

- Experienced Inspectors to complete HQS /Uniform Physical Condition Standards - Voucher (UPCS-V) inspections according to HUD guidelines. All inspectors shall be field experienced. Each inspector provided under this contract shall have completed sensitivity and sexual harassment training, shall be HQS certified and HUD certified on Visual Lead Paint assessment. Proof of certifications will be required of each inspector prior to commencement of work. All of the selected firm's field personnel, including any subcontractors, shall be required to submit to a criminal background investigation prior to being allowed to perform field work.
- Perform documented HQS and Uniform Physical Condition Standards (UPCS-V) Inspections for SHRA's rental assistance programs: HCV and conventional Public Housing programs.
- Schedule and reschedule appointments, as necessary to include notifying owner and tenants of scheduled inspections via US mail. Selected firm must also maintain a phone line available to clients for scheduling and customer service purposes.
- Well seasoned administrative staff person who provides excellent customer service to all clients. This includes returning all phone calls within 24-48 hours with documentation of the phone conversation in the Yardi database system; or 24 hours to return the call if it is regarding an emergency inspection.
- Conduct Rent Reasonableness Certifications as needed.
- Calculate utility allowance as needed.
- Conduct inspections on electronic tablets.
- Selected firm's staff must download inspection data from electronic tablets into Yardi (the software system used by the Housing Authority), file appropriate paperwork, and send paperwork to the HA's scan room for electronic filing. SHRA will provide an office area, with computer, electronic tablets, and access to copiers and fax machines, for the selected firm's staff to perform these duties. Data will be saved to the HA's electronic filing system (Open Work Desk) after being scanned and filed in a storage area located within the HCV department.

- Enter inspection data and HUD Form 50058 documentation into Yardi for transmission of the information to HUD.
- Maintain all records and documents as required by applicable Federal, State, and Local laws and regulations. All inspection related documents must be kept on the premises in accordance with a defined method set by the SHRA as follows:
  - 1) Paper inspection packets will be sent to the HA's scan room for scanning and saved electronically on the HA's electronic filing system.
  - 2) Electronic inspection data will be downloaded into Yardi.
  - 3) Storage method may be changed as needed.
- As needed, perform Initial and Special / Emergency Inspections for assisted units. These may include, but are not limited to the Housing Choice Voucher program, the Homeownership program, Continuum of Care programs or the Public Housing Program.
- The contractor shall schedule all annual and biennial inspections by notifying the tenant and owner of the inspection time and date between ten (10) and fifteen (15) calendar days before the scheduled inspection. The notice may provide no more than a four (4) hour window for the inspector's arrival. The scheduling activities performed by the contractor shall be the basis for the Administrative Cost (office supply and technology costs included) shown on the Fee Schedule – Attachment B.
- A courtesy call will be made to either the owner or tenant as requested.
- In the case of an apartment complex, the inspector will check with the office first to alert the owner/agent of their purpose and to gain access as necessary. If a tenant is not in the unit, the inspector should check in with the office to gain entry if possible
- The contractor may schedule and conduct initial move-in inspections and special / emergency inspections for assisted units as needed. In some instances, SHRA may schedule these inspections and offeror shall conduct the inspections. There are separate line items on the Fee Schedule – Attachment B where offeror is requested to provide fees for each of the scenarios noted above.
- Inspectors are to contact clients via telephone and wait at unit at least 10 minutes prior to leaving the premises because of a no-show. A notice will be affixed to the property detailing a unique property character and how long the inspector waited. A digital photo of the unit will also be taken by the inspector as proof that they were at the correct unit.
- Attach “most common fail list” to annual inspection appointment letters.
- As needed, attach flyers to the annual inspection appointment correspondence, such as a “beware” flyer that informs the family to verify that the inspector is an SHRA contracted inspector prior to allowing access to the unit.
- Provide an automated call reminder system, to remind tenants of inspection appointments. SHRA shall have final approval of the system the selected firm implements.

- In the case of failed smoke detectors, new batteries will be required. Once the clients have installed the batteries, inspectors must re-test the smoke detectors to ensure they pass prior to leaving the units.  
Inspectors may be required to install outlet covers in case of cracked or missing covers. SHRA will provide outlet covers.
- Inspectors shall verify that additional rooms, which were approved based on a reasonable accommodation (RA) for the family, are being used according to the RA request. When Inspectors determine there are violations of the RA request, the Inspectors shall be required to take digital pictures of these rooms and attach the pictures to the inspection packets. SHRA will provide cameras for this purpose.
- Inspectors will photograph units when performing move-in and move-out inspections (when damages are reported) for the Shelter Plus Care program (which totals approximately 600 units). SHRA will provide cameras for this purpose.
- Management and/or inspection staff must be available to attend informal or formal hearings (if necessary) as requested by SHRA staff.
- Selected firm's management staff shall be responsible for conducting quality control inspections to ensure internal compliance with mandated standards / regulations and to evaluate staff performance. Qualified SHRA personnel will also perform federally mandated quality control inspections throughout the year

SHRA shall provide selected firm's personnel with access to appropriate SHRA inspection and supervisory staff should unusual situations arise.

All inspectors and administrative contracted employees shall read the Contract Confidentiality Requirement related to 'Protecting Personally Identifying Information' document and sign that they have read and understood the document. Inspection contractors handle Personally Identifiable information (PII) which is defined as "..... information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometrics records etc., alone or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as sate and place of birth, mother's maiden name, etc."

PII is that which, when lost, compromised or disclosed without authorization, could substantially harm an individual. As such, the contractor is required to inform SHRA by phone and through written notification within two hours of discovery that any section of this contract has been violated. Written notification must be sent to the appropriate Director and Program Manager and may be submitted by email.

#### **Administration and Management Services:**

The selected firm shall provide administrative services for the day-to-day operation of the inspection processes and direct supervision of the firm's staff.

### Administration

The category of Administration includes the scheduling of inspections, data entry, maintenance of inspection files, answering phone lines, providing excellent customer service to both owners and tenants, and generation of letters and notices.

Selected firm's contract administrator shall file schedules of inspections with SHRA at the beginning of the day.

Selected firm or SHRA management may suggest appropriate technology solutions to save time for contracted or SHRA administrative personnel, and such solutions shall be mutually agreed upon, in writing, thirty (30) days before implementation, unless waived by both parties.

### Management Services

Selected firm's Management Services responsibility is to provide direct oversight of firm's local staff. Additionally, services to be provided shall include management reports, billing accounts, communication and coordination with SHRA staff to address problems, seek improvements and enforcement of HUD regulations, and customer service to address problems or complaints from owners and tenants regarding inspections. Selected firm shall ensure that all certifications and training of their inspectors are current and valid at all times. They shall also document all training they provide for their inspectors. They must monitor the administrative staff's work to ensure that the appropriate tenants are being queued for inspections as part of the annual/biennial process and 100 percent of the portfolio of tenant's units are inspected during the HUD given time frame (either on an annual/biennial timeframe)

Selected firm's management staff shall be responsible for conducting quality control inspections to ensure internal compliance with mandated standards / regulations and to evaluate staff performance. Qualified HA personnel will also perform federally mandated quality control inspections throughout the year.

### Move-in Inspections

- Once RFTA approved, SHRA staff will notify Sterling's administrative personnel on need for inspection with attached necessary documents.
- Sterling immediately calls owner to schedule (no later than 4 hours after approval). Also gives the option to utilize waivers through 06-30-21
- Priority given to boutique programs used such as: FUP, SPC, VASH, FYI, Pathways, P3 or equivalent.
- Inspection is conducted and inspector returns documents to the SHRA office same day.
- Sterling administrative personnel would ensure inspection results are entered in Yardi within 24 hours
- Sterling administrative personnel ensures upload of inspection documents to ICN immediately.
- Sterling administrative personnel to follow-up on all fail items daily – paying close attention to the 10- day deadline.

### Special Inspections

- Sterling administrative personnel to:
  - respond to all Special Inspection request by contacting both landlord and tenant on the same day of the call.
  - schedule all Special inspection requests with both landlord and tenant

- Enter inspection results into Yardi within 24 hours
- Upload inspection packets to ICN within 24 hours
- Follow-up on all pending special inspection requests
- Work with SHRA Abatement Specialist on 24-hour and life-threatening fails.

#### Other Administrative tasks

- Sterling administrative personnel to:
  - Respond to all inspection calls within 24 hours of receipt
  - Provide a comprehensive voicemail with appropriate direction for participants and landlords, if unavailable to answer calls
  - Mail all inspection notices out timely following established SHRA policy

#### Quality Control

- Ongoing quality control review of inspectors by Sterling's management personnel
- Ongoing quality control calls to tenants
- Quality control ride-along with inspectors by Sterling's management personnel and;
- Create inspection demo video for SHRA website

#### **Liquidated Damages:**

Any inspection missed or performed outside of the time window given by the selected firm's inspectors shall result in a fee reduction of \$250.00 per inspection.

#### **Legal Records**

Records must be maintained with respect to the equipment, contract agreements, and owners/tenants as necessary to satisfy governmental requirements regarding reporting, confidentiality and preservation of documents.

In order to preserve and enforce SHRA's rights, all actions reasonably necessary to enforce contract agreements shall be referred to SHRA's General Counsel for legal action when necessary.

#### **M/WBE and Section 3 Requirements**

M/WBE Outreach will be required of all rehabilitation/construction projects over the 9 covered units. Section 3 requirements are required as a result of the Federal Funding on this project

The Agency highly encourages participation by local qualified firms and organizations in all aspects of contracting. The Agency actively encourages participation of Small Business Enterprises (SBE), Minority and Women Owned Business Enterprises (M/WBE), and Section 3 businesses in all aspects of contracting.

Section 3 of the Housing and Urban Development Act of 1968 (Section 3), as amended (12 U.S.C. 1701u), requires the Agency to ensure that employment and other economic and business opportunities are directed to public housing residents and other low-income persons, to the greatest extent feasible; particularly recipients of government housing assistance, and business concerns that provide economic opportunities to low- and very low-income persons (Section 3 Residents).

The contract resulting from this solicitation is subject to Section 3 requirements. During the term of this contract, should the selected Contractor have the need to hire new employees, the Contractor shall make every effort to hire a Section 3 resident. The Contractor has the responsibility of demonstrating its efforts to hire Section 3 residents to meet hiring needs. The Agency will monitor Contractor's compliance with Section 3 requirements.

A sample of M/WBE and Section 3 documents are provided to you as a reference in Attachment E. Please return forms 00620 Declaration of Understanding and Authorization and Section 00630 Economic Opportunity

### **Insurance Requirements**

Complete SHRA Insurance Requirements are provided for your review as Attachment A.

### **Contract:**

It is the intent of SHRA to award two (2) contracts [one (1) for the HCV program and one (1) for the conventional Public Housing program] to one (1) firm for a period of two (2) year with the option to add three (3) additional one year periods. The additional periods are at the sole discretion of SHRA based on the selected firm's performance and SHRA needs. Prospective firms are advised to review the contract agreement and attachments before submitting their proposals. A sample contract is provided as Attachment D of this document.

### **Proposal Format:**

All submissions must be in standard sized (8.5" x 11") format, number each page. Proposals are not limited in length; however, conciseness is encouraged. Be sure to fully address each item listed below. To facilitate review by the Selection Committee, please submit information in accordance with the following format, identifying each item, in order, by the appropriate number. Number each page.

1. A cover letter introducing your firm, its location, history and experience with this type of work.
2. Provide a description that illustrates your understanding of the complete Scope of Services. This should include what your work flow process would be, beginning with notice to proceed through filing of all necessary paperwork and generating monthly status reports to HCV. Provide estimated time to complete each task.
3. Print out and complete **Attachment B – Fee Schedule** (pages 16 thru 20). These forms must be included with your submittal.
4. Provide three (3) references (within the past 2 years) and contact information for property owners and public agencies for whom you have performed comparable services.
5. Describe the automated "call reminder" system your firm would provide.
6. Provide a list of all key team members, with brief resumes, highlighting their previous experience on similar projects. Provide the name, title and contact information of the person that will be SHRA's designated point of contact. Should you intend to use subcontractors, provide the same information for all sub-contractors.



7. **Project Management Approach** - Describe how your team would meet timeframes, maintain expected output of inspections and guarantee the delivery of quality work. Describe how your team would work with the SHRA representatives and SHRA representatives can be prepared to work with you.
8. How many HQS and UPCS inspections has your firm performed, on average, on a daily/weekly/monthly basis over the last two (2) year period? What is your capacity to handle the volume of work and turnaround times?

**Selection Criteria:**

1. Based upon the information provided in the proposals, a Selection Committee will select the most qualified firm for this project
2. A Selection Committee will be established according to SHRA policy. Members of the Selection Committee will be provided copies of each complete proposal received. Each member will evaluate each submittal individually.
3. In order of priority, the written proposals will be evaluated based upon the following:
  - a. Understanding of Scope of Services and work flow processes
  - b. Fee proposal
  - c. References
  - d. Experience of firm and team members with comparable work
  - e. Project management approach
  - f. Demonstrated capacity to handle required volume
4. Review of the Proposals will follow the submittal deadline. It is anticipated that the Selection Committee will rank the firms directly from the written proposals. However, SHRA reserves the right to request clarifications or additional information from any or all firms. Additionally, if deemed necessary by the Selection Committee, oral interviews of the top ranked firms will be scheduled at a later date and final selection made after the interviews.
5. SHRA intends to award a contract to the firm which SHRA determines to be the most responsive to the requirements of the RFP and who can accomplish the requirements set forth in this RFP in a manner which is overall most advantageous to SHRA. In this context, considering technical expertise, experience, price and other factors, SHRA specifically reserves the right to award to a firm other than the one with the lowest cost proposal.
6. Should any offeror wish to protest the final selection, they shall have five (5) calendar days after the date of the selection letter to submit to SHRA a written protest. The written protest shall be full and complete; specifying in detail the grounds of the protest and the facts supporting the protest or it will not be considered. Any offeror who has a legitimate protest must provide evidence that the awarded offeror is not qualified. Protest letters are to be sent to:

Sacramento Housing and Redevelopment Agency  
Attn: Procurement and Contract Services Program Manager  
801 12<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Sacramento, CA 95814

All protests shall be resolved in accordance with SHRA’s protest policy and procedures, copies of which are maintained at SHRA and available upon request.

### **Selection Process Overview**

SHRA’s evaluation of firms will be based upon materials submitted in response to this RFP statement. To be considered in the selection process, each company must submit complete statements and related materials. The evaluation process is a three stage process as indicated below:

#### Stage 1:

A Selection Committee will be established according to SHRA’s policy.

Submittals will be received and evaluated to determine if all items requested were submitted. Copies of each complete submittal will be provided to each member of the Selection Committee.

#### Stage 2:

The Selection Committee will review each submittal individually. The Selection Committee may meet on one or more occasion to discuss the submittals. It is anticipated that the Selection Committee will rank the firms and make the final selection directly from the written submittals. However, SHRA reserves the right to request additional information or clarifications from any or all firms before completing an evaluation of the qualifications. Oral interviews of the firms determined most qualified for the project will be scheduled at a later date and final selection made after interviews. Scoring will be based on the average of the initial scoring and interview. Upon completion of this process the firms deemed most qualified for the project will be selected.

#### Stage 3:

If SHRA desires to enter into negotiations, they will do so with one or more proposers, at the selection committee’s sole discretion. If SHRA enters into negotiations and no agreement is reached, SHRA can negotiate with the other proposers or make no award under this RFP. SHRA reserves the right to award a contract, if any, without negotiations.

### **Evaluation Criteria**

Once a proposal is responsive, it will be evaluated and ranked according to the following criteria:

<b><u>Category</u></b>	<b><u>Maximum Points</u></b>
Understanding of Scope of Services and Work Flow Processes	20
Fee Proposal	10
Experience of Firm and Team Members with Comparable Work	15
Project Management Approach	15

Demonstrated Capacity to Handle Required Volume	20
References	10
Interview (If Necessary)	10
Total	100

**Award of Contract:**

After the Selection Committee has determined the final rankings, SHRA will begin to negotiate contracts with the top ranked firm. If SHRA is unable to negotiate a satisfactory agreement with the top ranked firm, it will undertake negotiations with the next ranked firm and so on until a satisfactory agreement can be reached. Prospective firms are advised to review the contract agreement and provisions provided with the RFP document (Attachment D), before submitting their proposals.

**Dispute Process**

For projects not selected that choose to dispute the Selection Committee's recommendation, a formal written protest must be sent to the Procurement Services Department at [ps@shra.org](mailto:ps@shra.org). The formal dispute must provide details specifically the grounds for the protest, including evidence and supporting documents. The dispute must be received within ten (10) calendar days from the date of denial letter.

**Submission Procedures, Requirements, Rating Factors and Selection Process**

**Contact**

All questions and requests for clarification, submittal procedures, requirements and selection procedures are to be submitted via PlanetBids no later than 11:00a.m. PST February 25, 2022, at the following link:

<https://pbcsystem.planetbids.com/portal/40359/bid?o-data:190613>

Agency Contact:  
Darrin Samford – Procurement Services  
(916) 440-1344  
E-Mail: [dsamford@shra.org](mailto:dsamford@shra.org)

Inquiries regarding any aspect of this RFP must be submitted to PlanetBids. Written inquiries and replies will be furnished to all organizations by Procurement Services via PlanetBids. The Agency will not be responsible for oral or other explanations / interpretations of the RFP document or procedures outside of established Agency protocol. If it becomes necessary to revise any part of this RFP, an addendum to the RFP will be issued via PlanetBids.

**Communication regarding this RFP outside of PlanetBids or Procurement Services is expressly prohibited and will result in disqualification and no further consideration will be given to your proposal; this also includes but is not limited to communication with the Selection Committee**

**Members, and Agency sponsoring department staff.**

**RFP Timeline**

February 2, 2022	RFP Issued
February 18, 2022	Pre Proposal Conference 2:00p.m. PST
February 25, 2022	Questions due in writing by 11:00 a.m. PST
February 28, 2022	Responses to questions received posted by 5:00 p.m. PST
March 7, 2022	Proposals due by 5:00 p.m. PST

\*This RFP, RFI's and questions, responses to questions, any Addendum and other updates will be posted on PlanetBids at:

<https://pbsystem.planetbids.com/portal/40356/bo/bo-detail/30513>

\*\*Pre-Proposal Conference will be held via Zoom, the registration link is below:

<https://shra-org.zoom.us/meeting/register/tZUtcu6grJiGdcP4yaDwoMwqxj2Nle5Mnu8>

**Time and Place for Submission of Proposals**

Organizations interested in providing services for this project shall closely examine the specific submittal requirements and submit their proposals via PlanetBids at:

<https://pbsystem.planetbids.com/portal/40356/bo/bo-detail/83362>

**All submittals must be received no later than 5:00 p.m. PST on Monday, March 7, 2022.** If the submission is incomplete or does not follow the submittal format, at the option of the Agency, shall be eliminated from consideration.

**PLANET BIDS NOTE:** When uploading your documents to PlanetBids, please allow sufficient time to complete the process: Once the clock turns 5:00 p.m. your submittal will not be accepted if you are in the process of uploading. For technical issues relating to your proposal upload, please contact PlanetBids Customer Service at (818) 992-1771.

After selection and award all information and materials provided in each proposal received is subject to disclosure through a Public Records Request pursuant to the California Public Records Act.

**Agency Rights, Options, and Policies**

1. The Agency reserves the right to decide that one firm is more responsive than the others and to select after review of the written submittals only.
2. The Agency reserves the right to fund all, some or none of the respondents.
3. The Agency reserves the right to reject any and all submissions, request additional information, amend the project schedule, or issue additional requirements throughout the selection process. It is the responsibility of the consultant to verify that all necessary information is submitted by the due

date. Proposals which do not conform to all requirements expressed in this solicitation may be rejected without further evaluation, deliberation, or discussion.

4. The Agency reserves the right to modify any portion, postpone or cancel this RFP at any time, and/or reject any and all submissions without indicating any reason. No submission documents will be returned.
5. The Agency reserves the right to reject individual team members, firms, and request substitution without indicating any reason prior to contract award.
6. The Agency highly encourages participation by local qualified firms and contractors in all aspects of consultant contracting unless the project requires unusual or highly specialized services.
7. The Agency actively encourages participation of small, minority and women owned business enterprises in all aspects of contracting.
8. No compensation is offered for any work related to this selection process. Submissions are entirely voluntary. All original documents including electronic files become the property of the Agency. If any submission is late or incomplete in any way, that team will be eliminated from consideration.
9. Materials contained in each proposal will be considered proprietary until selection. Following selection, however, the contract scope of work may be amended by the Agency and negotiated.
10. In accordance with federal and state laws, the Agency does not discriminate on the basis of race, color, national origin, gender, sexual orientation, religion, age, veteran's status or disability in the provision of services.
11. Procured consultants / contractors will not be considered Agency personnel and the Agency assumes proposal of certain personnel to be a statement of their availability to do the work.
12. The Agency reserves the right to select more than one respondent, to select a respondent(s) for specific purposes or for any combination of specific purposes, and to defer the selection of any respondent(s) to a time of the Agency's choosing.

## INSURANCE REQUIREMENTS

### BASIC REQUIREMENTS

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

Any questions or concerns regarding insurance coverage should be discussed with SHRA's General Counsel or Risk Management. Work shall not proceed until insurance issues/ concerns are resolved.

During the term of the contract, the vendor shall maintain the following insurance coverage from insurance providers licensed to do business in California and having a Best's rating of at least A-VII, or a rating of such other rating service as the Agency, in its sole discretion, shall require.

Basic Requirements:

- Named certificate holder on all certificates of insurance shall be:  
**Sacramento Housing and Redevelopment Agency and Its Constituent Entities**  
**801 12<sup>th</sup> Street**  
**Sacramento, CA 95814**
- Certificates of Insurance shall include applicable endorsements. Insurance certificates shall not be accepted without the required endorsements. Further guidance of required endorsements is outlined below.
- Proper notification of cancellation of coverage is required. Contractors are required to provide notice of cancellation within ten (10) days for non-payment, and within thirty (30) days for all others.
  - Failure to maintain the required insurance coverage is a material breach of the Contract. Agency shall, nevertheless, have the right, without obligation, to pay any delinquent insurance premiums and any other charges to reinstate or maintain the required insurance policies and coverage. Vendor must immediately reimburse Agency for any and all costs incurred by Agency in obtaining or maintaining such insurance. If Agency does incur such costs, Agency shall have the right to withhold such amount from any payment due to the vendor under the Contract and to reduce the compensation payable to the vendor under the Contract by such amount.
- Any deductibles or self-insured retentions must be declared to and approved by the Agency.

The associated contract requires the following insurance:

- |   |                 |
|---|-----------------|
| <input type="checkbox"/> Construction Contract                | Refer to page 2 |
| <input type="checkbox"/> ITMS Contract                        | Refer to page 3 |
| <input type="checkbox"/> Service Contract and Supply Contract | Refer to page 4 |

## Attachment A

### □ Construction Contract

- **Commercial General Liability:** A policy of comprehensive general liability insurance which shall include, without limitation, coverage for contractual liability, public liability and property damage, written for not less than the single limit liability coverage stated.
  - Requirements:
    - Limits shall be no less than:
      - \$1,000,000 per occurrence for all covered losses
      - \$2,000,000 general aggregate
    - Deductible shall be \$25,000 or less
    - Endorsements:
      - ISO Form CG 00 01 or equal equivalent
      - ISO Form CG 20 10 or equal equivalent
      - IOS Form CG 20 37 or equal equivalent
  - Infrastructure Projects over one million dollars are subject to Agency General Counsel determination of alternate limits.
- **Automobile Liability:** *Required if motor vehicles are used in performing services in connection with contract.* Contractor shall provide automobile liability coverage for owned, non-owned, and hired automobiles.
  - Requirements:
    - Limits shall be no less than: \$1,000,000 per accident
    - Deductible shall be \$5,000 or less
  - Requests:
    - Endorsements:
      - ISO Form CA 00 01 or equal equivalent
- **Workers Compensation and Employers Liability Insurance:** California law requires a company to have Workers Compensation insurance if they have one (1) or more employees.
  - Requirements:
    - Limits shall be no less than \$1,000,000 per accident or disease.
    - Roofers are required to have Worker's Compensation for the owner. It does not matter whether or not the company has employees; the company must have Worker's Compensation, because the owner must be covered.
    - Coverage is required whether the employee is full-time, part-time, temporary, or a family member of the owner. All employees of a company as legally defined including corporate officers and directors must be included in the Worker's Compensation policy unless they are owners of the firm. An owner of a firm is defined as having a 25% interest in the firm.
- **Product Liability or Excess Liability:** Required for contracts for work over \$5,000.
  - Contractor shall provide "all risk" coverage for the completed value of the project. Policies shall contain the following provisions:
    - (1) Agency shall be named as loss payee; and
    - (2) The insurer shall waive all rights of recovery against Agency

## Attachment A

- The Contractor shall obtain and maintain, during the term of the Contract, property insurance upon the Project at an amount equal to the full insurable value of the Project at all times.
- Information Technology Managed Services Contract
  - **Commercial General Liability:** A policy of comprehensive general liability insurance which shall include, without limitation, coverage for contractual liability, public liability and property damage, written for not less than the single limit liability coverage stated.
    - Requirements:
      - Limits shall be no less than:
        - \$1,000,000 per occurrence for all covered losses
        - \$2,000,000 general aggregate
      - Deductible shall be \$25,000 or less
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
        - ISO Form CG 20 10 or equal equivalent
    - Projects over one million dollars are subject to Agency General Counsel determination of alternate limits.
  - **Automobile Liability:** *Required if motor vehicles are used in performing services in connection with contract.* Contractor shall provide automobile liability coverage for owned, non-owned, and hired automobiles.
    - Requirements:
      - Limits shall be no less than: \$1,000,000 per accident
      - Deductible shall be \$5,000 or less
    - Requests:
      - Endorsements:  
ISO Form CA 00 01 or equal equivalent
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
  - **Workers Compensation and Employers Liability Insurance:** California law requires a company to have Workers Compensation insurance if they have one (1) or more employees.
    - Requirements:
      - Limits shall be no less than \$1,000,000 per accident or disease.
      - Coverage is required whether the employee is full-time, part-time, temporary, or a family member of the owner. All employees of a company as legally defined including corporate officers and directors must be included in the Worker's Compensation policy unless they are owners of the firm. An owner of a firm is defined as having a 25% interest in the firm.
  - **Cyber Liability:** *Required if PII attachment is included with contract. Required if service or product provided include electronic activities which may be vulnerable to data breaches of personal information.*
    - Requirements:
      - Limits shall be no less than: \$1,000,000 per claim
      - Policy shall include coverage through a third party as a cloud provider



## Attachment A

- Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security.
  - The policy shall provide coverage for breach response costs as well as regulatory fines and penalties, and credit monitoring expenses with limits sufficient to respond to these obligations.
- Service Contract and Supply Contract
- **Commercial General Liability:** A policy of comprehensive general liability insurance which shall include, without limitation, coverage for contractual liability, public liability and property damage, written for not less than the single limit liability coverage stated.
    - Requirements:
      - Limits shall be no less than:
        - \$1,000,000 per occurrence for all covered losses
        - \$2,000,000 general aggregate
      - Deductible shall be \$25,000 or less
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
        - ISO Form CG 20 10 or equal equivalent
    - Projects over one million dollars are subject to Agency General Counsel determination of alternate limits.
  - **Automobile Liability:** *Required if motor vehicles are used in performing services in connection with contract.* Contractor shall provide automobile liability coverage for owned, non-owned, and hired automobiles.
    - Requirements:
      - Limits shall be no less than: \$1,000,000 per accident
      - Deductible shall be \$5,000 or less
      - Deductible shall be \$5,000 or less
    - Requests:
      - Endorsements:  
ISO Form CA 00 01 or equal equivalent
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
  - **Workers Compensation and Employers Liability Insurance:** California law requires a company to have Workers Compensation insurance if they have one (1) or more employees.
    - Requirements:
      - Limits shall be no less than \$1,000,000 per accident or disease.
      - Coverage is required whether the employee is full-time, part-time, temporary, or a family member of the owner. All employees of a company as legally defined including corporate officers and directors

## Attachment A

must be included in the Worker's Compensation policy unless they are owners of the firm. An owner of a firm is defined as having a 25% interest in the firm.

- **Professional Liability:** Required for all professional services provided, including but not limited to: accountant, architect, attorney, claims administration firms, consultants, insurance brokers, engineers, financial advisors, or other person who maintains a professional license.
  - Limits shall be no less than:
    - \$1,000,000 per claim
    - \$1,000,000 aggregate
  - Contractor shall maintain professional liability insurance that insures against professional errors and omissions that may be made in performing the Services to be rendered in connection with this Agreement.
  - Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement, and Contractor agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.
- **Cyber Liability:** Required if PII attachment is included with contract. *Required if service or product provided include electronic activities which may be vulnerable to data breaches of personal information.*
  - Requirements:
    - Limits shall be no less than: \$1,000,000 per claim
    - Policy shall include coverage through a third party as a cloud provider
    - Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security.
    - The policy shall provide coverage for breach response costs as well as regulatory fines and penalties, and credit monitoring expenses with limits sufficient to respond to these obligations.

END OF SECTION

## Attachment B

### Fee Schedule

## Initial Contract - Year 1 and 2

### Primary Fee Schedule

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each
Schedule and Conduct Initial Move-In Inspection	\$ Each
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each
Re-Inspection	\$ Each
No-Show Inspection	\$ Each
Schedule and Conduct Special / Emergency Inspection	\$ Each
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each

### Alternate Fee Schedule

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ . \_\_\_\_\_ **Per Passed Inspection**

**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 3**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each
Schedule and Conduct Initial Move-In Inspection	\$ Each
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each
Re-Inspection	\$ Each
No-Show Inspection	\$ Each
Schedule and Conduct Special / Emergency Inspection	\$ Each
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ . \_\_\_\_\_ **Per Passed Inspection**

**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 4**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each
Schedule and Conduct Initial Move-In Inspection	\$ Each
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each
Re-Inspection	\$ Each
No-Show Inspection	\$ Each
Schedule and Conduct Special / Emergency Inspection	\$ Each
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ **Per Passed Inspection**

**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 5**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each
Schedule and Conduct Initial Move-In Inspection	\$ Each
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each
Re-Inspection	\$ Each
No-Show Inspection	\$ Each
Schedule and Conduct Special / Emergency Inspection	\$ Each
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ . \_\_\_\_\_ **Per Passed Inspection**

## Instructions to Offerors Non-Construction

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing



- 01291

### 1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

### 2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

### 3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

### 4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

### 5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

### 6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

#### 7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

#### 8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

#### 9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe b.d or proposal preparation instructions here.]





**CONTRACT  
For  
[Housing Quality Standards Inspection Services]**

Effective Date:

AS OF THE ABOVE-WRITTEN "EFFECTIVE DATE", AND IN CONSIDERATION OF THEIR MUTUAL OBLIGATIONS, AGENCY AND CONTRACTOR (DEFINED BELOW) ENTER INTO THIS "CONTRACT" AND AGREE AS FOLLOWS:

1. "Agency" is/are the following selected agency/agencies, which are public bodies, corporate and politic, and which has/have the address of 801 12<sup>th</sup> Street, Sacramento, California 95814:

AGENCY		
SELECT	<input type="checkbox"/> Housing Authority of the City of Sacramento	<input type="checkbox"/> Housing Authority of the County of Sacramento
	<input type="checkbox"/> Sacramento Housing and Redevelopment Agency	

2. "Contractor" and Contractor's name and address for its principal place of business are the following:

Name	<input type="text"/>
Address	<input type="text"/>
DUNS #:	<input type="text"/>

Contractor is the following legal entity (select one):

<input type="checkbox"/> Sole Proprietor/Individual(s)	<input type="checkbox"/> Corporation	<input type="checkbox"/> Nonprofit Corporation	<input type="checkbox"/> General Partnership
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Limited Partnership	<input type="checkbox"/> Limited Liability Partnership	<input type="checkbox"/> Other: Local Government

Funding Source	CFDA#	Award #	Award Year	Jurisdiction	Amount
				<input type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Local	
				<input type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Local	
				<input type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Local	

3. "Scope of Work" for this Contract is the following. This contract is invalid unless this section is completed. In addition to the Scope of Work here, there may be a detailed Scope of Work attached if such attachment is written by Agency:

"PERFORMING PARTY"	"TASK/OBLIGATION":	"DEADLINE"
Contractor	<i>Scope of work or summary of scope of work</i>	
Contractor	"COMPLETION DATE": The date for completion of all of Contractor's Tasks/Obligations under this Contract	

Sample Contract

4. "Attachments" for this Contract are the following, which are incorporated in this Contract as if included in full in the body of this document:

ATTACHMENT NO. CHECK APPLICABLE BOX	DESCRIPTION OF ATTACHMENT (Attachments marked N/A or stricken are not included)
	Contract Provisions (This Contract is <i>invalid</i> without the Contract Provisions attachment)
<input type="checkbox"/> yes # ___ <input type="checkbox"/> no	Federal Requirements
<input type="checkbox"/> yes # ___ <input type="checkbox"/> no	CDBG and Other Federal Requirements
<input type="checkbox"/> yes # ___ <input type="checkbox"/> no	Payments
<input type="checkbox"/> yes # ___ <input type="checkbox"/> no	General Conditions for Limited Construction Work (If this Contract is for construction work, it is invalid without the General Conditions for Limited Construction Work attached.)
<input type="checkbox"/> yes # ___ <input type="checkbox"/> no	Attachment for Architectural Services (If this Contract is for architectural services, it is <i>invalid</i> without the Attachment for Architectural Services attached.)
<input type="checkbox"/> yes # ___ <input type="checkbox"/> no	Personal Identifying Information Attachment
<input type="checkbox"/> yes # ___ <input type="checkbox"/> no	Conflict of Interest Form
<input type="checkbox"/> yes # ___ <input type="checkbox"/> no	Other

Unless expressly stated otherwise in paragraph 8 "Special Provisions" below, the Attachments shall supersede any provisions of this Contract with which they conflict. Furthermore, the provisions of Attachment 1 shall supersede any other Attachment with which it may conflict.

5. "Contract Price" is the maximum amount that Agency is required to pay Contractor under this Contract. The Contract Price for this Contract is as follows:

<b>CONTRACTOR PRICE</b>	
-------------------------	--

6. "Payment Schedule for this Contract is as follows:

SELECT ONE	DATE, TIME PERIOD OR PERFORMANCE TO BE COMPLETED AS CONDITION OF PAYMENT (Only one payment schedule is selected)	MAXIMUM AMOUNT OF PERIODIC PAYMENT:
	Monthly payments due on the ___ day of the month	\$ _____ per month ___ % of Contract Price
	Quarterly payments due by the 30 <sup>th</sup> of the month following the previous quarter.	Stated in Attachment ___
	Per amounts and on dates stated in Attachment ___ Payment	Stated in attachment ___
	According to the following Schedule of Tasks, periodic payment upon Contractor's completion of respective task:	
		\$ _____
		\$ _____
		\$ _____
		\$ _____
	As billed by Contractor, for work actually performed and services actually provided	According to the fees and rates stated in Attachment ___ Payment
	Upon completion of the work for actual work performed	Per the Scope of Work Maximum Amount
	Allowed Reimbursable Expenses	
	Not to Exceed	

Sample Contract

Contractor shall not be reimbursed for expenses that are not specifically included in the Payment Schedule. Notwithstanding any other provision, reimbursable travel expenses shall not exceed the rates allowed by the Internal Revenue Service Standard Mileage Reimbursement and shall not include expenses for travel within a forty-five (45) mile radius of Agency's place of business. Notwithstanding any other provision, reimbursable expenses shall not include any pro-rated overhead costs and expenses, facsimile or telecopier charges, copying costs (unless extraordinary and approved in advance by Agency), courier charges, local and long distance telephone charges, and ordinary office and business supplies.

Contractor shall submit, at minimum, quarterly status reports on the Tasks/Obligations funded by Agency that shall include the name, email address, and telephone number of Contractor's contact person. Annual or closeout reports are due 30 days after the end of the calendar year. Agency shall have the right to audit such reports, including the right to review all records of Contractor related to such reports.

7. "Term" The term of this Contract shall be for a period of \_\_\_\_\_ beginning on the Effective Date and ending on \_\_\_\_\_ (the "Expiration Date").

8. "Special Provisions" are the following provisions or additional recitals, which are a part of the contract only if approved by Agency counsel as indicated by the accompanying initials.

SPECIAL PROVISION	AGENCY COUNSEL

9. "Conflict of Interest" the following statement describes whether or not the contractor is required to file a Fair Political Practices Commission Conflict of Interest statement.

<input type="checkbox"/> yes <input type="checkbox"/> no Contractor must file a Conflict of Interest Statement with Agency Clerk, unless this box is checked by Agency signatory indicating that Contractor is excluded from filing under the Agency Conflict of Interest Code.
---

In no event shall any member, officer or employee of Contractor, or its designees or agents, have an interest, direct or indirect, in any contract or its proceeds, for work to be performed in connection with Agency program assisted under this Contract during his/her tenure or for one (1) year thereafter if such member, officer or employee of Contractor, or its designees or agents exercises any functions or responsibilities with respect to this Contract. Contractor must incorporate, or cause to be incorporated, in all of its subcontracts a provision prohibiting subcontractors from having or acquiring any interest in violation of this paragraph 9.

THIS CONTRACT IS EXECUTED in Sacramento, California as of the date first above written.

AGENCY:  
By:

CONTRACTOR:  
By:

Name:		Name:	
Title:		Title:	
		Tax ID Number:	

**CERTIFICATION OF AUTHORITY**

I certify under penalty of perjury under the laws of the State of California that I am fully authorized to execute the attached document for Contractor in the capacity I have stated, and that such execution is sufficient to bind Contractor. Executed in \_\_\_\_\_, California, on \_\_\_\_\_.

---

Contractor's Signatory

**Attachment 1**  
**Contract Provisions**

1. **CONTRACT CONTENTS, PRECEDENCE AND DEFINITIONS.** This Contract consists of this Contract document and all of the Attachments named in this Contract. Except for matters required by law or expressly stated otherwise in paragraph 8 "Special Provisions", the provisions of the Attachments supersede any provisions of the body of this Contract with which they conflict. Furthermore, the provisions of Attachment 1, and any Federal Requirements attached to this Contract, supersede any other Attachment with which it may conflict; provided that the Federal Requirements shall supersede all conflicts that may exist anywhere in this Contract or its Attachments. Unless otherwise defined in this Attachment 1, capitalized terms shall have the definitions stated in this Contract.

2. **SCOPE OF WORK.** Notwithstanding the wording of the Scope of Work, unless a Task/Obligation is expressly described in the Scope of Work as one that is not mandatory, each Task/Obligation provided in the Scope of Work is the mandatory obligation of the Performing Party, and it must be completed on or before its respective Deadline. As the context indicates the Task/Obligation must be performed at or delivered to the Location stated in the Scope of Work.

3. **CONTRACT TERM AND TIME OF PERFORMANCE.** The "Contract Term" shall begin on the date of this Contract and shall end at 5:00 p.m. on the Expiration Date or upon completion of all Task/Obligation provided in the Scope of Work, whichever shall first occur.

a) Certain of the Contract requirements, as expressly stated in this Contract, shall survive the Term.

b) Contractor acknowledges that it is not entitled to compensation for any work done or costs incurred prior to the Effective Date or subsequent to the Expiration Date. This contract cannot be revived, amended or extended by agreement made after the Expiration Date.

4. **COMPENSATION, REIMBURSEMENT AND METHOD OF PAYMENT.** Notwithstanding any other provision of this Contract, the parties agree that the total compensation and reimbursement for all services and expenses required during the term of this Contract shall not exceed the Contract Price. Agency shall pay Contractor in the amounts and at the times specified in the Payment Schedule. Agency is not obligated to make any payment under this Contract for work Contractor has not yet performed or goods not delivered. Agency is not obligated to make any payment under this Contract for so long as Contractor is in material default of this Contract. Except as specified in writing in this Contract, Agency is not obligated or liable under this Contract to any party other than Contractor.

5. **INSURANCE COVERAGE REQUIREMENTS.** During the Term, Contractor must maintain the following insurance coverage from insurance providers licensed to do business in California and having an industry rating that is acceptable to Agency. Failure to maintain the required insurance is a material breach of this Contract. Before beginning any work under this Contract, Contractor must provide Agency with certificates of insurance or copies of the insurance policies demonstrating the required coverage, and the required endorsements naming "the Sacramento Housing and Redevelopment Agency and its constituent entities" as an additional insured. Contractor must ensure that such certificates and endorsements are in a form acceptable to Agency and reflect fulfillment of all of the requirements of this Contract. Contractor must ensure that the coverage afforded under the policies can only be canceled after thirty (30) days prior written notice to Agency of the pending cancellation. Contractor must mark such notice to the attention of Agency's Procurement Services Office at the following address:

SACRAMENTO HOUSING & REDEVELOPMENT AGENCY  
801 12<sup>th</sup> Street – Procurement Services (PS)  
Sacramento, California 95814

a) The required insurance coverage is the following: (i) Two Million Dollars (\$2,000,000) or more of comprehensive general liability coverage including, without limitation, coverage for contractual liability, public liability and property damage and having a deductible of Twenty-five Thousand Dollars (\$25,000) or less; (ii) if motor

## Sample Contract

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vehicles are used in connection with this Contract, Five Hundred Thousand Dollars (\$500,000) or more of automobile liability coverage having a deductible of Five Thousand Dollars (\$5,000 ) or less; and statutory limits or more of workers compensation coverage for all employees of Contractor and all others doing Contract work. The policies shall be endorsed to name the "the Sacramento Housing and Redevelopment Agency and its constituent entities" as an additional insured. The insurance afforded to such additional insured shall apply to the fullest extent permitted by law and shall be at least as broad as that afforded to the named insured.

b) Contractor will provide Agency with the cancellation clause and/or any amendatory endorsements that modify or change the policy cancellation clause of the insurance policies in force. It is Contractor's responsibility to notify Agency of any notice of cancellation, non-renewal or non-payment of premium in accordance with your policy provisions. In the event insurance is cancelled or not renewed, Contractor shall notify Agency within forty-eight (48) hours of such cancellation or non-renewal.

\_\_\_\_\_ **Contractor's Initials**

c) Contractor is in material breach of this Contract for so long as Contractor fails to maintain all of the required insurance. Agency has the right, but not the obligation, to pay any delinquent insurance premiums and any other charges to reinstate or maintain the required insurance policies and coverage. Upon Agency's demand, Contractor must immediately reimburse Agency for any and all costs incurred by Agency in so obtaining and/or maintaining insurance. If Agency does incur such costs, Agency shall have the right to withhold such amount from any payment due to Contractor under this Contract and to reduce the compensation payable to Contractor under this Contract by such amount.

6. **BILLING PROCEDURES AND CONDITIONS.** Agency must make the payments due under this Contract, as provided herein, subject to the following provisions:

a) Agency must pay the Contract Price in accordance with the Payment Schedule to Contractor for performance of Contractor's obligations under this Contract, or so much of the Contract Price as may be due for services actually performed and materials actually supplied by Contractor under this Contract. Agency is not required to make such payment more frequently than specified in the Payment Schedule. Contractor will not be paid for expenses or overhead as separate items of cost unless such items are specifically listed in the Payment Schedule, and then not to exceed the amounts so provided. In any event, Agency is not required to pay Contractor a total amount for goods, services and expenses which exceed the Contract Price.

b) Contractor may make requests for payment no later than 30 days after the Completion Date (the "Billing Date"), for Tasks/Obligations rendered on or before the Completion Date. Agency shall make payments due under this Contract for invoices submitted on or before the Expiration Date. Agency is not obligated to make payments to Contractor for invoices submitted after the Billing Date.

c) As a condition for payment, Contractor must submit invoices, in duplicate, not less than thirty (30) business days before the date of a requested payment. Such billing statements shall specify the dates on which the work was performed; the nature of the work performed; the percentage of the total work performed; the name of the individual performing each element of the work; the respective hourly billing rates; a list of all expenses for which reimbursement is sought; and the requested payment date.

d) Within ten (10) days following a written request received from Agency, Contractor must provide an invoice to Agency for all work performed as of the request date. Agency is entitled to make similar requests at intervals of not less than thirty (30) days following the initial request.

e) Contractor must submit its final invoice for all work under this Contract no later than the Billing Date.

7. **INDEMNIFICATION.** Except to extent of gross negligence or willful misconduct on the part of Agency, Contractor shall indemnify, hold harmless and defend, to the fullest extent permitted by law, the Housing Authority of the City of

## Sample Contract

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Sacramento, the Housing Authority of the County of Sacramento, the Sacramento Housing and Redevelopment Agency, the City of Sacramento and the County of Sacramento, their respective officers, directors, commissioners, advisory committee members, agents, and employees from liability, claims, demands, attorney's fees or litigation and related costs, including, without limitation, court costs and investigator, witness, arbitrator and mediator fees, for any injury or damages to persons or property resulting from Contractor's prosecution of work under this Contract, or otherwise related to this Contract, whether caused, in whole or part, by an intentional or negligent act or omission by Contractor, its officers, employees, or agents.

8. **NO WAIVER OF RIGHTS AND REMEDIES.** Agency's failure, at any time, to object to any breach of covenant or obligation, to any failure of performance, or to any other default on the part of Contractor shall not constitute a continuing waiver of subsequent breaches or defaults. Agency's making of any payment to Contractor shall not, under any circumstances, be considered a waiver by Agency. Agency's making of any payment while any breach or default by Contractor exists shall in no way impair any right or remedy available to Agency related to such breach or default, including, without limitation, the right to withhold future payments.

9. **HIRING OF OTHERS.** Unless consultants, specialists, experts or other third parties are listed in the Scope of Work, Contractor must not employ any of them or incur any obligation to pay any of them for services performed under this Contract without the prior written approval of Agency. Agency's written approval shall not create any obligation of Agency with regard to any such third party. Contractor has no authority to, and must not purport to, employ, hire or contract with any such third party as agent of Agency or otherwise on behalf of Agency.

10. **TERMINATION OF CONTRACT FOR CAUSE.** If either party fails to fulfill its obligations under this Contract in a timely and proper manner or violates any of the covenants, agreements, or stipulations of this Contract, and if such failure or violation is material and substantial, the other party shall have the right to immediately terminate this Contract by written notice to the defaulting party.

a) If Contractor defaults and Agency terminates the Contract, all finished or unfinished work, products, documents, electronic media, data, studies, artwork, renderings, models, software programs, and reports prepared by Contractor under this Contract shall, at the option of Agency, become property of Agency, upon payment to Contractor of just and equitable compensation for such work which is completed, reasonably satisfactory to Agency, and which Contractor has not already received payment for pursuant to the terms of the Contract. Agency's exercise of its option to own such properties does not relieve Contractor of liability to Agency for damages on account of Contractor's default, and Agency may withhold any payments to Contractor for the purpose of setoff until such time as the exact amount of damages due Agency from Contractor is determined.

b) If Agency defaults and Contractor terminates the Contract, upon Contractor's submission of the invoices and receipts required by this Contract, Agency must pay to Contractor an amount which bears the same ratio to the total compensation under this Contract as the Tasks/Obligations actually performed by Contractor bear to the total Tasks/Obligations of Contractor covered by this Contract, less payments of compensation previously made (for example, if the work is eighty percent complete, Agency must pay eighty percent of the compensation less any amounts previously paid for the work). In addition, Agency must reimburse Contractor for all unreimbursed expenses that are reimbursable under this Contract upon Contractor's submission of the invoices and receipts required by this Contract for reimbursement.

11. **TERMINATION FOR CONVENIENCE OF AGENCY.** Agency may immediately terminate this Contract, at any time and without cause, by a notice in writing from Agency to Contractor.

12. **CHANGES.** Agency may, from time to time, request changes in the Scope of Work to be performed by Contractor. Such changes, including any increase or decrease in Contractor's compensation, must be agreed to in writing by both Agency and Contractor.

13. **PERSONNEL, FACILITIES AND EQUIPMENT.** Contractor represents that it has, or will, secure at its sole cost and expense all personnel, facilities and equipment required in performing the Tasks/Obligations under this Contract. Such personnel must not be Agency employees or have any contractual relationship with Agency, except with Agency's

Sample Contract  
prior written approval.

a) All the Tasks/Obligations will be performed by Contractor or under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state and local law to perform the Tasks/Obligations.

b) No person who is serving a sentence in a penal or correctional institution shall be employed or work on this Contract.

14. **SUBCONTRACTING.** Contractor must not enter into any subcontract for performance of the Tasks/Obligations without the prior written consent of Agency. In any event, Contractor shall be as fully responsible to Agency for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by such subcontractors as Contractor is for the acts and omissions of persons it directly employs. In any event, Contractor must insert in each subcontract appropriate provisions requiring compliance with the labor standards provisions, insurance and other relevant provisions of this Contract.

15. **INTERESTS OF OFFICIALS.** No member of the governing body of Agency, and no officer, employee or agent of Agency who exercises any functions or responsibilities in connection with carrying out the Project to which this Contract pertains, shall have any personal interest, direct or indirect, in this Contract. No member of the governing body of the locality in which the Project is situated, and no other public official of such locality, who exercises any functions or responsibilities in the review or approval of the carrying out of the Project to which this Contract pertains shall have any personal interest, direct or indirect, in this Contract. If federal funds are expended by Agency for this Contract, no member of or delegate to the Congress of the United States, and no commissioner of Agency who meets the requirements of a tenant commissioner pursuant to Health and Safety Code section 34290(c), shall be admitted to any share or part of this Contract or to any benefit arising from this Contract. Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, in any portion of the Project to which this Contract pertains, or any other interest which would conflict in any manner or degree with the performance of its services under this Contract. Contractor further covenants that in the performance of this Contract no person having any such interest shall be employed by Contractor.

16. **CONFLICTS OF INTEREST STATEMENT.** Contractor shall, upon Agency request, complete and submit a conflict of interest statement to Agency in form approved by Agency.

17. **OWNERSHIP OF PROFESSIONAL AND TECHNICAL INFORMATION.** All professional and technical information, in the form of original designs, drawings, data, computations, specifications, report texts, estimates, writings, artwork, renderings, models, software programs, and any other material, data and information collected or developed in connection with the Tasks/Obligations under this Contract, and all original documents shall be forwarded to and become the sole property of Agency. Neither Contractor nor any of its associates or consultants shall have any rights or interest in such information, documents and material. Contractor and its associates and consultants may retain such copies or reproductions, at their sole cost and expense, of the original documents as necessary for their files, records and reference.

18. **NO INTELLECTUAL PROPERTY RIGHTS OR ARTIST'S RIGHTS IN CONTRACT WORK.** In no event, without the prior written approval of Agency, shall Contractor or any person or entity acting on behalf of Contractor obtain or hold, and to the contrary, expressly waives any rights, in law or in equity, in any intellectual property developed in furtherance of the Tasks/Obligations, including, without limitation, copyright, trademark, service mark, patent or rights of an artist in a work of art. Artists preparing any artwork under this Contract waive any rights to notice or to take any action regarding the use, removal, relocation or destruction of any artwork so prepared. Contractor represents and acknowledges that Contractor has or shall obtain such waivers in writing for all persons or entities performing the Tasks/Obligations under this Contract

19. **COMPLIANCE WITH LAWS.** Contractor must comply with all applicable laws, ordinances and codes of the federal, state and local governments, and must commit no trespass on any public or private property in performing the Tasks/Obligations.



20. **CHILD SUPPORT COMPLIANCE ACT.** If the Contract Price exceeds \$100,000, the following is acknowledged and agreed to by Contractor: (1) Contractor recognizes the importance of child and family support and shall fully comply with all applicable state and federal laws relating to child and family support enforcement orders, including but not limited to, disclosure of information and compliance with earnings assignment orders as provided in Chapter 8(commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and (2) Contractor, to the best of its knowledge, agrees to fully comply with the earnings assignment orders of all employees and to provide the names of all new employees to the New Hire Registry, maintained by the California Employment Development Department.

21. **ASSIGNABILITY.** Contractor is prohibited from assigning, and waives all rights to assign or transfer, any interest in this Contract without the prior written approval of Agency. Any purported assignment of any of Contractor's rights and obligations under this Contract without the prior written consent of Agency is *void ab initio* and is a material breach of this Contract.

22. **AGENCY COOPERATION.** Agency will reasonably cooperate with Contractor regarding this Contract. As and when requested by Contractor, Agency will furnish to Contractor any and all pertinent information which Agency may possess during the time of performance of Contractor's duties under this Contract.

23. **CONFIDENTIALITY.** All information prepared or assembled by Contractor under this Contract is confidential. Contractor must not make this information available to any individual or organization without the prior written approval of Agency. Contractor must immediately forward to Agency all requests for information related to this Contract made by a third party to Contractor. Contractor must not disclose or permit the disclosure of any confidential information of Agency, except to its agents, employees and other consultants, approved by Agency, who need such confidential information for the proper performance of their duties related to this Contract or on behalf of Agency.

24. **PRIVACY.** Contractor agrees to comply with the Federal Privacy Act of 1974 (the Act) and Agency rules and regulations issued under the Act

25. **CONTRACTOR'S STATUS.** Contractor, for all purposes under this Contract, is an independent contractor and must maintain any and all licenses required by law for the performance of Contractor's obligations under this Contract. Except as expressly stated in this Contract, Agency is prohibited from directing the methods of Contractor's work under this Contract, requiring Contractor's use of an Agency office for Contractor's performance or setting regular working hours for Contractor or Contractor's employees.

26. **CONTRACT CONSTRUCTION AND ENFORCEABILITY.** The existence, validity, construction and operation of this Contract, and all its representations, terms and conditions shall conform to the laws of the State of California, exclusive of its conflict of law rules. Throughout this Contract, the use of singular and plural forms, or the various gender forms, shall each include the other as the context may indicate. If any provision of this Contract is held, in whole or in part, to be unenforceable for any reason, the remainder of that provision and the entire Contract will be severable and remain in effect.

27. **NOTICES.** Any notices, invoices, or reports required by this Contract shall be sufficient if sent by certified mail by the parties through the United States Postal Service, postage paid, to the address of the other party as indicated in this Contract.

28. **ENTIRE CONTRACT.** This Contract contains the entire agreement of the parties. No other agreement, statement or promise made on or before the date of this Contract will be binding on the parties. No changes to this Contract are valid unless they are made by written amendment duly executed by the parties.

29. **VENUE.** Unless otherwise agreed in writing by the parties, the venue for all actions related to this Contract is Sacramento County, California.

**Attachment D****ATTACHMENT 2  
FEDERAL REQUIREMENTS**

The following provisions shall be applicable to this Agreement and binding on Contractor and Agency only if all or part of the funds to be paid for work performed under this Agreement are provided by the United States Department of Housing and Urban Development (other than Community Development Block Grant funds) or some other funding program of the federal government. In the event of a dispute as to the applicability of any of the following provisions to Contractor's work under this Contract, Agency's decisions shall be final.

1. **ANTI-KICKBACK RULES.** Monthly, or more often, Contractor must, without condition, pay the salaries of architects, draftsmen, technical engineers and technicians performing work under this Contract. Such payments shall be made without deduction or rebate, excepting only such payroll deductions as are mandatory by law or permitted by applicable regulations issued by the Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1937 (Title 18 U.S.C., Section 874). Contractor shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Contract to insure compliance by subcontractors with such regulations. Contractor shall be responsible for the submission of affidavits required of subcontractors under this Contract, except for such variations or exemptions as the Secretary of Labor may specifically allow.
2. **WORK HOURS.** Contractor must comply with the provisions of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§3701-3708) and must cooperate with Agency in implementing and enforcing the provisions of such Act. Among other requirements of the act, Contractor must pay not less than one and one-half times the basic rate of pay for the work of Contractor's employee in excess of eight hours in one day or forty hours in one week, in the performance of this Contract. Contractor must insert appropriate provisions in all subcontracts covering work under this Contract to insure compliance with such Act. Contractor must meet and cooperate with Agency's Labor Compliance officer to assure compliance with such Act.
3. **WITHHOLDING OF SALARIES.** If, in the performance of this Contract, there is any underpayment of salaries by Contractor or by any subcontractor, Agency must withhold from Contractor out of payments due to him any amount sufficient to pay employees underpaid the difference between the salaries required under this Contract to be paid and the salaries actually paid such employees for the total number of hours worked. The amounts withheld shall be disbursed by Agency for and on account of Contractor or subcontractor to the respective employees to whom they are due.
4. **CLAIMS AND DISPUTES PERTAINING TO SALARY RATES.** Claims and disputes pertaining to salary rates or to classification of architects, draftsmen, technical engineers and technicians performing work under this Contract must be promptly reported in writing by Contractor to Agency for the latter's decision which shall be final with respect thereto.
5. **EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS.**
  - i. Contractor will send to each labor union or representative of workers with whom he has a collective bargaining agreement or other contract or understanding, a notice to be provided by Agency, advising the labor union or workers' representative of Contractor's commitments under Section 202 of Executive order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
  - ii. Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
  - iii. Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by Agency and the Secretary of

Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

**6. ECONOMIC OPPORTUNITY EMPLOYMENT REQUIREMENTS.** The following is applicable to all contracts related to the project which is the subject of this Contract.

- i. The work to be performed under this Contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the area of the project.
- ii. The parties to this Contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this Contract.
- iii. The contract requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area.
- iv. The parties to this Contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- v. Contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this Employment Clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- vi. Contractor will include this Employment Clause in every subcontract for work in connection with the project.
- vii. Each Contractor or subcontractor undertaking work in connection with a Section 3 covered project must fulfill its obligation to utilize lower income project area residents as employees to the greatest extent feasible by:
  - (1) Identifying the number of positions in the various occupational categories including skilled, semi-skilled, and unskilled labor, needed to perform each phase of the Section 3 covered project;
  - (2) Identifying the positions described in Paragraph (1) of this Section, the number of positions in the various occupational categories which are currently occupied by regular, permanent employees;
  - (3) Identifying the positions described in Paragraph (1) of this Section, the number of positions in the various occupational categories which are not currently occupied by regular permanent employees;
  - (4) Establishing the positions described in Paragraph (3) of this Section, a goal which is consistent with the purpose of this subpart within each occupational category of the number of positions to be filled by lower income residents of the Section 3 covered project area; and

**Attachment D**

- (5) Making a good faith effort to fill all of the positions identified in Paragraph (4) of this Section with lower income project area residents, first and foremost, through the First Source Program.
- (6) Making a good faith effort to fill of the positions identified in Paragraph (4) of this Section with lower income project area residents.

7. **DAVIS-BACON ACT.** Unless expressly indicated otherwise in this Contract, if this Contract is for construction, alteration, or repair (including painting and decorating) of public buildings or public works, Contractor must comply with the provisions of the Davis-Bacon Act (40 U.S.C. 3142) and all rules, regulations and orders promulgated under said Act. Among other provisions, said act establishes minimum wages and fringe benefits; prohibits deductions or rebates from payments; provides for the withholding of funds to assure compliance with wage provisions; and provides for the termination of this Contract and debarment of the Contractor for failure so to comply.

8. **CONFLICT OF INTEREST.** No member, officer or any employee of Contractor, or its designees or agents, who exercises any functions or responsibilities with respect to the program during his tenure or for one (1) year thereafter, shall have an interest, direct or indirect, in any contract or its proceeds, for work to be performed in connection with the program assisted under this Contract. Contractor must incorporate, or cause to be incorporated, in all subcontracts a provision prohibiting such interest pursuant to the purposes of this Section.

9. **DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS.** No person employed on the work covered by this Contract shall be discharged or in any way discriminated against because he has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable to his employer under this Contract.

10. **RECORDS.** Contractor must keep all necessary books and records, including loan documentation and financial records, in connection with the operation and services performed under this Agreement, in accordance with the provisions of OMB Circular No. A-102 Attachment G (as amended), and must document all transactions as Agency may properly audit all expenditures made pursuant to this Contract. Contractor must maintain and preserve all records related to this Contract in its possession for a period of three (3) years from the effective date of this Contract, unless otherwise directed by Agency. All books, records and accounts kept by Contractor in connection with the performance of this Contract shall be made available for inspection by representatives of the federal government and/or Agency staff as required to monitor or audit the program.

11. **DRUG FREE WORKPLACE.** Contractor must comply with the Drug-Free Workplace Act of 1988 (final rule published on May 25, 1990) and Agency's policies and rules promulgated under the Act. Contractor must obtain such policies and rules from the Agency

12. **OTHER FEDERAL REQUIREMENTS.** Agency must provide Contractor with all relevant program information regarding the federal programs having jurisdiction over this Contract. Agency must assist Contractor in the interpretation of the requirements of such programs. Contractor shall be considered to be familiar with the requirements of such programs and shall comply with such requirements.

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INVESTING IN COMMUNITIES

**Sacramento Housing and Redevelopment Agency**

**And**

**Contractor:** \_\_\_\_\_

**Contract Confidentiality Requirement**

**Protecting Personally Identifying Information**

The Sacramento Housing and Redevelopment Agency (SHRA) is federally funded and subject to the requirements of the federal Privacy Act of 1974 and various California statutes protecting privacy including the California State Constitution. Any contractor, vendor, business or person conducting business with SHRA, and has access to personally identifying information, is required to meet the standards outlined in the Privacy Act, and any Public and Indian Housing (PIH) Notice issued by the U. S. Department of Housing and Urban Development which is the regulating Agency of SHRA and all applicable state laws.

This document is an attachment to the contract effective \_\_\_\_\_ between SHRA and \_\_\_\_\_, (herein referred to as "Contractor"). This document spells out the requirements that must be met by the "Contractor," its sub-vendors, its employees, associates and persons who will have access to the Personally Identifying Information (PII) of a person who is/was an applicant to, current or former participant of any Housing Authority programs, or any current, past or future employee of SHRA.

**DEFINITIONS:**

Personally Identifying Information:

PIH Notice 2014-10 Privacy Protection Guidance for Third Parties: PII is defined as:

- i) "... information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc."
- ii) Sensitive Personally Identifiable Information. PII that when lost, compromised or disclosed without authorization could substantially harm an individual. Examples of sensitive PII include

social security or driver's license numbers, medical records, and financial account numbers such as credit or debit card numbers.

Privacy Act:

In accord with the Department of Justice, "The Privacy Act of 1974, 5 U.S.C. § 552a, establishes a code of fair information practices that governs the collection, maintenance, use, and dissemination of information about individuals that is maintained in systems of records by federal agencies. A system of records is a group of records under the control of an agency from which information is retrieved by the name of the individual or by some identifier assigned to the individual. The Privacy Act requires that agencies give the public notice of their systems of records by publication in the Federal Register. The Privacy Act prohibits the disclosure of a record about an individual from a system of records absent the written consent of the individual, unless the disclosure is pursuant to one of twelve statutory exceptions. The Act also provides individuals with a means by which to seek access to and amendment of their records, and sets forth various agency record-keeping requirements.

**BASIC REQUIREMENTS:**

The "Contractor" agrees to:

1. Comply with the requirements of the Privacy Act of 1974 and the requirement to protect PII as quoted from PIH Notice 2014-10 (and any subsequent PIH notices related to protecting PII that are released)
2. Impose the requirements of the Privacy Act of 1974 and PIH Notice 2014 and any subsequent notices on all of its employees, associates and persons who will have access to PII of a person who is/was an applicant, current or former participant of any Housing Authority programs, or any current, past or future employee of SHRA.
3. Participate in an initial and annual PII training to be conducted by SHRA or its assignee as a condition of the contract.
4. Immediately inform SHRA by phone AND through written notification when any section of this contract has been violated. Written notification must be sent to the appropriate Director and Program Manager for the program, and may be submitted by email.

**CONTRACTOR'S AGREEMENT:**

The "Contractor" agrees to:

i) Limit Collection of PII

(1) Not collect or maintain sensitive PII without proper authorization. Collect only the PII that is needed for the purposes for which it is collected.

ii) Manage Access to Sensitive PII

**Attachment D**

(1) Only share or discuss sensitive PII with those personnel who have a need to know for purposes of their work. Challenge anyone who asks for “ access to sensitive PII for which you are responsible.

(2) Do not distribute or release sensitive PII to other employees, contractors, or other third parties unless you are first convinced that the release is authorized, proper and necessary.

(3) When discussing sensitive PII on the telephone, confirm that you are speaking to the right person before discussing the information and inform him/her that the discussion will include sensitive PII.

(4) Never leave messages containing sensitive PII on voicemail.

(5) Avoid discussing sensitive PII if there are unauthorized personnel, contractors, or guests in the adjacent cubicles, rooms, or hallways who may overhear your conversations.

(6) Hold meetings in a secure space (i.e., no unauthorized access or eavesdropping possible) if sensitive PII will be discussed and ensure that the room is secured after the meeting.

(7) Treat notes and minutes from such meetings as confidential unless you can verify that they do not contain sensitive PII.

(8) Record the date, time, place, subject, chairperson, and attendees at any meeting involving sensitive PII.

iii) Protect Hard Copy and Electronic Files Containing Sensitive PII

(1) Clearly label all files containing sensitive PII by placing appropriate physical labels on all documents, removable media such as thumb drives, information systems, and application. Examples of appropriate labels might include —For Official Use Only || or —For (Name of Individual/Program Office) Use Only. ||

(2) Lock up all hard copy files containing sensitive PII in secured file cabinets and do not leave unattended.

(3) Protect all media (e.g., thumb drives, CDs, etc.,) that contain sensitive PII and do not leave unattended. This information should be maintained either in secured file cabinets or in computers that have been secured.

(4) Keep accurate records of where PII is stored, used, and maintained.

(5) Periodically audit all sensitive PII holdings to make sure that all such information can be readily located.

(6) Secure digital copies of files containing sensitive PII. Protections include encryption, implementing enhanced authentication mechanisms such as two- factor authentication and limiting the number of people allowed access to the files.

**Attachment D**

(7) Store sensitive PII only on workstations that can be secured, such as workstations located in areas that have restricted physical access.

iv) Protecting Electronic Transmissions of Sensitive PII via fax, email, etc.

(1) When faxing sensitive PII, use the date stamp function, confirm the fax number, verify that the intended recipient is available, and confirm that he/she has received the fax. Ensure that none of the transmission is stored in memory on the fax machine, that the fax is in a controlled area, and that all paper waste is disposed of properly (e.g., shredded). When possible, use a fax machine that uses a secure transmission line.

(2) Before faxing PII, coordinate with the recipient so that the PII will not be left unattended on the receiving end.

(3) When faxing sensitive PII, use only individually-controlled fax machines, not central receiving centers.

(4) Do not transmit sensitive PII via an unsecured information system (e.g., electronic mail, Internet, or electronic bulletin board) without first encrypting the information.

(5) When sending sensitive PII via email, make sure both the message and any attachments are encrypted.

(6) Do not place PII on shared drives, multi-access calendars, the Intranet, or the Internet.

v) Protecting Hard Copy Transmissions of Files Containing Sensitive PII

(1) Do not remove records about individuals with sensitive PII from facilities where SHRA information is authorized to be stored and used unless approval is first obtained from a supervisor. Sufficient justification, as well as evidence of information security, must be presented.

(2) Do not use interoffice or translucent envelopes to mail sensitive PII. Use sealable opaque solid envelopes. Mark the envelope to the person's attention.

(3) Do not allow employees, associates or persons to take PII documents home, but must return to the office of the "Contractor" or its Assignee

(4) When out in the field, PII information must be stored in the trunk

(5) PII Information must not be left in a car overnight.

(6) If any PII information must be transported by any mode of transportation, the PII information is secured and locked in the trunk of the vehicle or locked in a van. Files transported with PII information from the vehicle to the building must be in a sealed envelope or box. If information is being carried by a person it must be placed in a locked box.



**Attachment D**

(7) When using the U.S. postal service to deliver information with sensitive PII, double-wrap the documents (e.g., use two envelopes – one inside the other) and mark only the inside envelope as confidential with the statement —To Be Opened By Addressee Only.

vi) Records Management, Retention and Disposition

(1) Follow records management laws, regulations, and policies applicable within your jurisdiction.

(2) Ensure all of the ‘Contractor’s’ locations and all entities acting on behalf of the “Contractor” are managing records in accordance with applicable laws, regulations, and policies.

(3) Include records management practices as part of any scheduled oversight protocols.

(4) Do not maintain records longer than required.

(5) Destroy records after retention requirements are met.

(6) Dispose of sensitive PII appropriately – use cross-cut shredders or burn bags for hard copy records and permanently erase (not just delete) electronic records.

(7) The “Contractor should ensure that all of its employees, associates and persons who will have access to PII are familiar with reporting procedures.

vii) Promptly report all suspected compromises of sensitive PII related to the appropriate Director and Program Manager by phone AND in writing

**PENALTIES FOR NON-COMPLIANCE:**

SHRA Penalties: The contract to which this document is attached is subject to termination due to non-compliance or violation of either the Federal Privacy Act; the verified disclosure of PII or the failure to meet any of the requirements by the “Contractor” its employees, associates or persons within its agency. SHRA shall notify the “Contractor” in writing with at least 30 days notice of the contract termination

Civil Penalties: An individual can be held personally liable and may be fined up to \$5,000 for each offense, or imprisoned up to five years or both for failing to comply with the regulations governing the use and unauthorized access to PII.

**ACKNOWLEDGEMENT AND ACCEPTANCE:**

I acknowledge all of the terms listed within this document and accept all of the requirements stated herein.

---

Contractor Name

---

Contractor's Signature

---

Date signed by Contractor

Ref: Contract effective: \_\_\_\_\_



## SECTION 00600 - SECTION 3 OVERVIEW

Section 3 of the U.S. Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) requires SHRA to ensure that employment and other economic opportunities are directed to public housing residents and other low-income persons, to the greatest extent feasible, particularly recipients of government housing assistance, and local businesses that provide economic opportunities to low- and very low-income persons and Section 3 Workers.

*Outlined below are minimum requirements to be met by the contractor and all subcontractors performing work on this project. The minimum requirements are triggered by federal regulations and SHRA policy and require active involvement by the contractor and subcontractors in soliciting local employees and contractors. Specifically, Section 3 of the Housing and Urban Development Act of 1968 as amended (12U.S.C. 1701u) and SHRA policy requires, to the greatest extent feasible, that economic opportunities be provided to Section 3 Workers and Section 3 Businesses.*

SECTION 3 EMPLOYMENT GOALS		
Who Must Comply	Area of Focus	Goal
Contractors	Section 3 Labor Hours	25% of all labor hours
Any Tier Subcontractors	Section 3 Labor Hours	25% of all labor hours

SECTION 3 SUB-CONTRACTING GOALS		
Who Must Comply	Area of Focus	Goal
Building trades work for maintenance, repair, modernization or development of public or Indian housing, or for building trades work arising in connection with housing rehabilitation, housing construction and other public construction	Subcontract Awards	25% of all labor hours
Any Tier Subcontractors	Subcontract Awards	25% of all labor hours
All other Section 3 covered contracts	Subcontract Awards	25% of all labor hours

Progressive sanctions may be imposed on any contractor / subcontractor found not to be in compliance or willfully disregards the requirements of Section 3 including cancellation, termination or suspension of the contract in whole or in part, and the contractor may be declared ineligible for further SHRA contract awards for a period of one to three years.

### **Definitions**

#### **Employment Opportunity**

Any job opening arising from SHRA contracts/projects, to include permanent, temporary or seasonal employment opportunities, including management and administrative jobs. Management and administrative jobs include architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups; and jobs directly related to administrative support of these activities (construction manager, relocation specialist, payroll clerk, etc.)

Attachment E

New Hire

An individual that is not employed by the contractor prior to the time the contract is executed (hired to specifically perform work on this project). New hires and jobs created (both union and nonunion) include all job openings and vacancies created as a result of retirement, voluntary separation, terminations and expansions of the workforce, as a result of a project funded by SHRA.

Section 3 Resident

- (1) Public housing residents of City/County of Sacramento; or
- (2) Persons who live in the Local Area (within the boundaries of the City and County of Sacramento) where a HUD or SHRA assisted project is located and who is considered to be a low- to very-low income person (have a household income that falls below HUD's income limits). HUD income limits are provided below.

Review the chart below, match your household size (include yourself) with the **maximum** household income before taking this employment opportunity.

INCOME LIMITS – 2021								
Number in Household	1	2	3	4	5	6	7	8
Maximum Household Income	\$50,750	\$58,000	\$65,250	\$72,500	\$78,300	\$84,100	\$89,900	\$95,700

For example, if your household size is 3 and the total annual household income was \$55,000.00, you would fall within the income limits of the chart. From the chart above, the income was below the maximum for a family of 3 (\$65,250).

If the applicant's total household income is within the limits of the chart, that person is considered a Section 3 Worker.

Section 3 Business

- (1) Be at least 51% owned by current low or very low income persons;
- (2) Over 75% of the labor hours performed by business are performed by low - or very low - income persons;
- (3) 51% of the business must be owned by current public housing residents that currently live in Section 8 assisted housing.

Section 3 Covered Contract

A contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project.

Section 3 Covered Project

The construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance or SHRA funds.

## Attachment E

### **Contractor & Subcontractor Obligations for Section 3 Compliance**

- (1) Demonstrate a good faith effort, to the greatest extent feasible, to utilize eligible/qualified Section 3 area residents as employees and trainees when new hires are needed.
- (2) Identify the number of positions, by classification/function, required to plan and complete the work to be done under the Section 3 covered project, this includes management and administrative personnel;
- (3) Determine how many of these positions are currently filled and which are not filled by regular, permanent employees.

### **Contractor & Subcontractor Actions to Demonstrate a Good Faith Effort**

The awarded contractor and all subcontractors on the Section 3 Covered Contract/Project are required to identify any new hire opportunity resulting from obtaining this contract. Prior to receiving the Notice to Proceed, the awarded contractor and all subcontractors shall provide to SHRA Procurement Services a complete Employee Roster and a completed/signed Section 3 Economic Opportunity Plan. If the awarded contractor and/or his subcontractors do not anticipate hiring anyone as a result of the contract, complete the bottom section of the form: "Notification of the Intent to Use Current Workforce."

Examples of actions demonstrating a good faith effort to employ Section 3 qualified residents and businesses include:

- (1) Advertise in local/neighborhood newspapers/publications.
- (2) Post opportunity flyers/notices in the common areas of SHRA 11 public housing communities.
- (3) Contact and post flyers/notices at the Sacramento County Business Information Centers, local and ethnic Chambers of Commerce, SBA, etc.
- (4) At the job site, post the job opportunity notice and the Section 3 poster where the public may reasonably view it.
- (5) Contact local job training centers, i.e. SETA or labor organizations.

### **Order of Preference for Hiring and Contracting**

#### **Order of Providing Training and Employment Opportunities to Section 3 Workers/Residents**

All contractors and any second tier subcontractor shall, to the greatest extent feasible, provide training and employment opportunities to Section 3 workers/residents to meet or exceed the 25% of the total labor hours for the project in the following order of priority:

- Priority 1: A resident of the SHRA housing site within the project area / neighborhood (i.e. Oak Park, Del Paso Heights, North Highlands, Rio Linda, etc.), or Resident Services Program;
- Priority 2: A resident of any SHRA housing site;
- Priority 3: All other Section 3 eligible workers in the City/County of Sacramento.

## Attachment E

### Order of Providing Preference for Section 3 Businesses in Contracting Opportunities

Contractors and subcontractors shall direct their efforts to award Section 3 covered contracts, to the greatest extent feasible, to Section 3 businesses in the order of priority provided below.

- Priority 1: Businesses that are 51 percent (51%) or more owned by residents of the housing site at which the Section 3 covered assistance is expended, or whose full-time, permanent workforce includes no less than 30 percent (30%) of these persons as employees;
- Priority 2: Businesses that are 51 percent (51%) or more owned by residents of other housing sites or developments managed by SHRA or whose full-time, permanent workforce includes no less than 30 percent (30%) of these persons as employees;
- Priority 3: Businesses that are 51 percent (51%) or more owned by Section 3 residents, or whose permanent, fulltime workforce includes no less than 30 percent (30%) Section 3 residents, or that subcontract in excess of 25 percent (25%) of the total amount of subcontracts to business concerns identified above.

### Other Agency Economic Opportunities Plan Process

In the event a Prime Contractor has no demonstrated plan or need to hire and/or subcontract with or is unable to meet the hiring and/or subcontracting requirements in Section V. above, the Prime Contractor is required to provide other economic opportunities by completing form Section 00630. It should be noted that the inability to meet the hiring and/or subcontracting requirements must be documented completely on form Section 00630.

Other Economic Opportunities could include direct subcontracting with a Section 3 Business Concern (subcontracting for work not included in the scope of work), training programs, mentorship program participation, joint ventures or other results oriented economic opportunities directed towards Section 3 Residents and Business Concerns. Any Other Economic Opportunities must be proposed in detail in form Section 00630.

If the other forms of Other Economic Opportunities are not feasible, the Prime Contractor may propose to make a direct contribution to the Section 3 Training Fund. Guidance on how to contribute to the Section 3 Fund is outlined below:

**Hiring Requirements Contribution:** If a Prime Contractor chooses to contribute to the Section 3 Fund in order to meet its Other Economic Opportunity because they are unable to meet the hiring requirement or because they cannot provide other economic opportunities, the Prime Contractor will pay 5% of the total dollar amount of the contract for building trade work or 1.5% for all other contracts to the Section 3 Fund. The amount paid shall not exceed \$100,000 for any one contract.

**Contracting Requirements Contribution:** If a Prime Contractor chooses to contribute to the Section 3 Fund as its Other Economic Opportunity because they cannot meet the full Section 3 Business Concerns subcontracting requirements and cannot provide other Economic Opportunities, the difference between the 10% of the covered contract for building and trade work or 3% for non-construction and the actual amount provided to Section 3 Business Concerns shall be paid to the Section 3 Fund. A Prime Contractor may also pay the entire 10% of the covered contract for building or trade work or 3% for non-construction contracts, if the Prime Contractor has documented the infeasibility of offering any Other Economic Opportunities. In either case, the amount paid shall not exceed \$500,000 for any one contract.



SECTION 00610

**ECONOMIC OPPORTUNITY EMPLOYMENT REQUIREMENTS**

**The following is applicable to all contracts related to this project.**

- A. The Loan also requires that, to the greatest extent feasible, all contractors and subcontractors provide opportunities for training or employment to be given to public housing residents or lower-income residents within the project geographical area.
- B. The parties to this Loan certify and agree that they are under no contractual or other disability which would prevent them from fully complying with HUD and SHRA requirements.
- C. As applicable, LOAN recipient will ensure that any contractor(s) send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract, memoranda of understanding, a notice advising the said labor organization or workers' representative of all commitments under this Employment Clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- D. LOAN recipient will ensure that the contractor will include this Employment Clause in every subcontract for work in connection HUD or SHRA projects, in that:

Each Contractor or subcontractor undertaking work in connection with a HUD or SHRA funded Section 3 project must fulfill said obligations to utilize public housing (Section 3) or low income residents within the project area as employees, to the greatest extent feasible by:

- 1. Identifying the number of positions in the various occupational categories, including skilled, semi-skilled, and unskilled labor, needed to perform each phase of Section 3 covered project;
- 2. Identifying the positions described in Paragraph (1) of this Section, the number of positions in the various occupational categories which are currently occupied by regular, permanent employees;
- 3. Identifying the positions described in Paragraph (1) of this Section, the number of positions in the various occupational categories which are not currently occupied by regular permanent employees;
- 4. Establishing the positions described in Paragraph (3) of this Section, a goal which is consistent with the purpose of this subpart within each occupational category of the number of positions to be filled by lower-income residents of Section 3 covered project area; and
- 5. Making a good faith effort to fill all of the positions identified in Paragraph (4) of this Section with lower income project area residents or contributes to the Section 3 training fund, as outlined in SHRA Economic Opportunity Policies related to Section 3 requirements and goals.

Attachment E



**SECTION 00620 - DECLARATION OF UNDERSTANDING AND INTENT TO COMPLY WITH SECTION 3 REQUIREMENTS**

**General Submittal Instructions**

Bidder/Proposer is required to submit a completed Section 3 and Economic Opportunity Plan(s) with bid. A "non-responsive" determination may be made due to non-submittal. All first-tier subcontractors of the awarded Bidder are required to submit the completed Economic Opportunity Plan within 10 days of award.

Bidder/Proposer AND its first-tier subcontractors whose Economic Plans indicate no subcontract awards to certified Section 3 Business Concerns will be required to submit supporting documentation for review and approval verifying outreach efforts and attempts to award subcontracts to Section 3 Business Concerns in bid. A "non-responsive" determination shall be made due to a lack of documented outreach to Section 3 Business Concerns by the Bidder/Proposer. Exception: bid/proposal indicating no projected hiring and/or subcontracting opportunities.

**Special Instructions for SHRA Developers**

Submit all completed Section 3 and Economic Opportunity Plans before construction begins or at the beginning of each project phase (determined on case-by-case). Developers submit completed Plans to:

Sacramento Housing and Redevelopment Agency  
 Procurement/Section 3  
 801 12<sup>th</sup> St, 2<sup>nd</sup> Floor  
 Sacramento, CA 95814  
[Section3@shra.org](mailto:Section3@shra.org)

Prime Contractor Name:	Subcontractor:
Contact Name:	Email Address:
Telephone Number:	Dollar Value of <input type="checkbox"/> Contract <input type="checkbox"/> Subcontract \$

**Check All That Apply for This Project and Follow Instructions as Applicable**

- I am the Prime Contractor
- I am a Subcontractor
- Prime/Sub Contractor will comply with Section 3 outreach for subcontracts as a result of this bid/proposal
- Prime/Sub Contractor will comply with Section 3 labor hours as a result of this bid/proposal
- There will be no subcontracts or Section 3 labor hours as a result of this bid/proposal

***Bidder for the above bid/solicitation number and project hereby understands and agrees to comply with all provisions of Section 3 as set forth in 24 CFR 75 and SHRA's Section 3 Economic Opportunity Plan/Policy requirements, as applicable. Noncompliance with HUD's Section 3 regulations will result in sanctions, termination of the contract/agreement for default and debarment or suspension from future HUD-assisted contracts.***

Authorized Official's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_

**SUBMIT WITH BID/OFFER BY PRIME CONTRACTOR ONLY**





**SECTION 00630 - SECTION 3 ECONOMIC OPPORTUNITY PLAN**

Project: \_\_\_\_\_ Project #: \_\_\_\_\_ Date: \_\_\_\_\_

Prime Contractor: \_\_\_\_\_

PART I:  Contractor  Subcontractor      Section 3 Business Concern  Yes  No

Firm Name: \_\_\_\_\_ Contact: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_ E-mail: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**Employment Opportunities**

**PART II:** Contractors or subcontractors receiving federal funds are required to adhere to Executive Order 11246, by Section 3 of the HUD Act of 1968 (12 USC 1701u) and 24 CFR Part 75, the General Conditions of the Contract for Construction, and SHRA's Section 3 Declaration of Understanding and Intent to Comply with Section 3 Requirements. If awarded a contract, it further agrees to comply with all such requirements, including without limitation, committing to an employment and training goal (Tier I) AND award a subcontract to Section 3 Business Concerns (Tier II), *to the greatest extent feasible*. The business entity further understands and agrees that these commitments will be included as obligations in any contract awarded and its failure to comply will be deemed a material default under the contract.

**TIER I: HIRING COMMITMENT** (25% of labor hours to be performed by Section 3 workers)

JOB CLASSIFICATION(S) NEEDED TO COMPLETE THE PROJECT (i.e. Administrative, Laborer, Electrical, Demolition, Asbestos Abatement, Technical, Management, Security)	CURRENT WORKFORCE LABOR HOURS	REQUIRED WORKFORCE LABOR HOURS, IF AWARDED CONTRACT	Labor Hours Performed By Section 3 Workers

Attach additional sheets if necessary

By making a commitment above to hire Section 3 workers, the business entity understands and commits to following the Section 3 Workers Priority Selection by giving first priority to individuals residing in the SHRA development where the work is being performed to complete labor hour requirements.

**Attachment E**

**\*Section 3 LABOR HOURS:** Twenty-five (25) percent of total labor hours on HUD funded projects must be performed by eligible Section 3 Workers, and clearly documented in E-Comply and Section 3 forms.

**\*\* Section 3 Worker Priority Selection:**

1<sup>st</sup> Priority (P1): Individuals residing in the SHRA Development where the project is located and/or the Jobs Plus or Resident Services Program.

2<sup>nd</sup> Priority (P2): Individuals residing in other SHRA owned or managed developments/properties.

3<sup>rd</sup> Priority (P3): All other Section 3 eligible workers in Sacramento City/County.

**TIER II: SUBCONTRACTORS LIST (25% Section 3 Labor Hours)**

SUBCONTRACTOR NAME AND CONTACT	TRADE	Section 3 Business? Yes or No	Subcontract Amount

Attach additional sheets if necessary

**PART III: OTHER EFFORTS THAT WILL BE MADE TO GENERATE ECONOMIC OPPORTUNITIES**

Pursuant to 24 CFR § 75 and/or SHRA's Section 3 Economic Opportunity Plan Policy, please outline your plan to provide other economic opportunities to Section 3 Workers and Section 3 Business Concerns if you cannot satisfy Tier I and Tier II goals or desire to offer additional opportunities. Your plan should include quantifiable goals (i.e. specific number of individuals to be trained, enrolled in apprenticeship or other programs, mentored or hired as interns; dollar commitment, etc.). Examples may include training and apprenticeship programs, mentorship, internship. If you need more space, attach additional pages.

Attach additional sheets if necessary

**PART IV: NOTES & COMMENTS**

Attach additional sheets if necessary

**PART V:**

**Notification of the Intent to Use Current Workforce**

We do not anticipate hiring any Section 3 workers during the contract period. However, should any positions become available we will notify SHRA by completing the upper section of this form.

---

I declare, under penalty of perjury, that the above is true and correct to the best of my knowledge.

NMAI, LLC  
Contractor/Subcontractor Name

[Signature]  
Signature

7/26/22  
Date

Janey May  
Print Name

Manager  
Title

Questions regarding the completion of this form can be submitted to [section3@shra.org](mailto:section3@shra.org)

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**EXHIBIT C**  
**CONTRACTOR'S QUOTE**  
**(behind this page)**

**Attachment B**

**Fee Schedule**

**Initial Contract - Year 1 and 2**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each 26.00
Schedule and Conduct Initial Move-In Inspection	\$ Each 28.00
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each 28.00
Re-Inspection	\$ Each 22.00
No-Show Inspection	\$ Each 14.00
Schedule and Conduct Special / Emergency Inspection	\$ Each 22.00
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each 22.00
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each 6.50 for onsite administrative services 6.75 plus postage for remote services

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ 52 00 **Per Passed Inspection**

**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 3**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each 27.30
Schedule and Conduct Initial Move-In Inspection	\$ Each 29.40
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each 29.40
Re-Inspection	\$ Each 23.10
No-Show Inspection	\$ Each 14.70
Schedule and Conduct Special / Emergency Inspection	\$ Each 23.10
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each 23.10
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each 6.83 for onsite administrative services 7.09 plus postage for remote services

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ 54 60 **Per Passed Inspection**

**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 4**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each 28.67
Schedule and Conduct Initial Move-In Inspection	\$ Each 30.87
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each 30.87
Re-Inspection	\$ Each 24.26
No-Show Inspection	\$ Each 15.44
Schedule and Conduct Special / Emergency Inspection	\$ Each 24.26
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each 24.26
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each 7.17 for onsite administrative services 7.44 plus postage for remote services

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ 57 33 **Per Passed Inspection**

**Attachment B**

**Fee Schedule**

**Option Year Renewal - Year 5**

**Primary Fee Schedule**

Please provide your fee for service based on a “per inspection” basis. It is expected that the cost of re-inspections or “no shows” will be discounted. Please complete the table of fees below.

Annual Inspection	\$ Each 30.10
Schedule and Conduct Initial Move-In Inspection	\$ Each 32.41
Conduct Initial Move-In Inspection (SHRA schedules inspection)	\$ Each 32.41
Re-Inspection	\$ Each 25.47
No-Show Inspection	\$ Each 16.21
Schedule and Conduct Special / Emergency Inspection	\$ Each 25.47
Conduct Special/Emergency Inspection (SHRA schedules inspection)	\$ Each 25.47
Administrative / Customer Service / Scheduling Cost for Annual Inspections and Re-Inspections	\$ Each 7.53 for onsite administrative services 7.81 plus postage for remote services

**Alternate Fee Schedule**

Please provide an alternate fee to be considered a flat fee per passed unit inspection. This fee can only be collected when a unit passes on the first or second inspection. If a third inspection is required, SHRA personnel will perform it. If the unit passes the third inspection, the contractor will be paid for one (1) passed inspection, even though it did not pass during either of the first two inspections. However, no fee will be paid if the unit does not pass the third inspection. This is to be all inclusive fee, taking into consideration all expense and administrative costs.

\$ \_\_\_\_\_ 60 20  
 . \_\_\_\_\_ **Per Passed  
 Inspection**

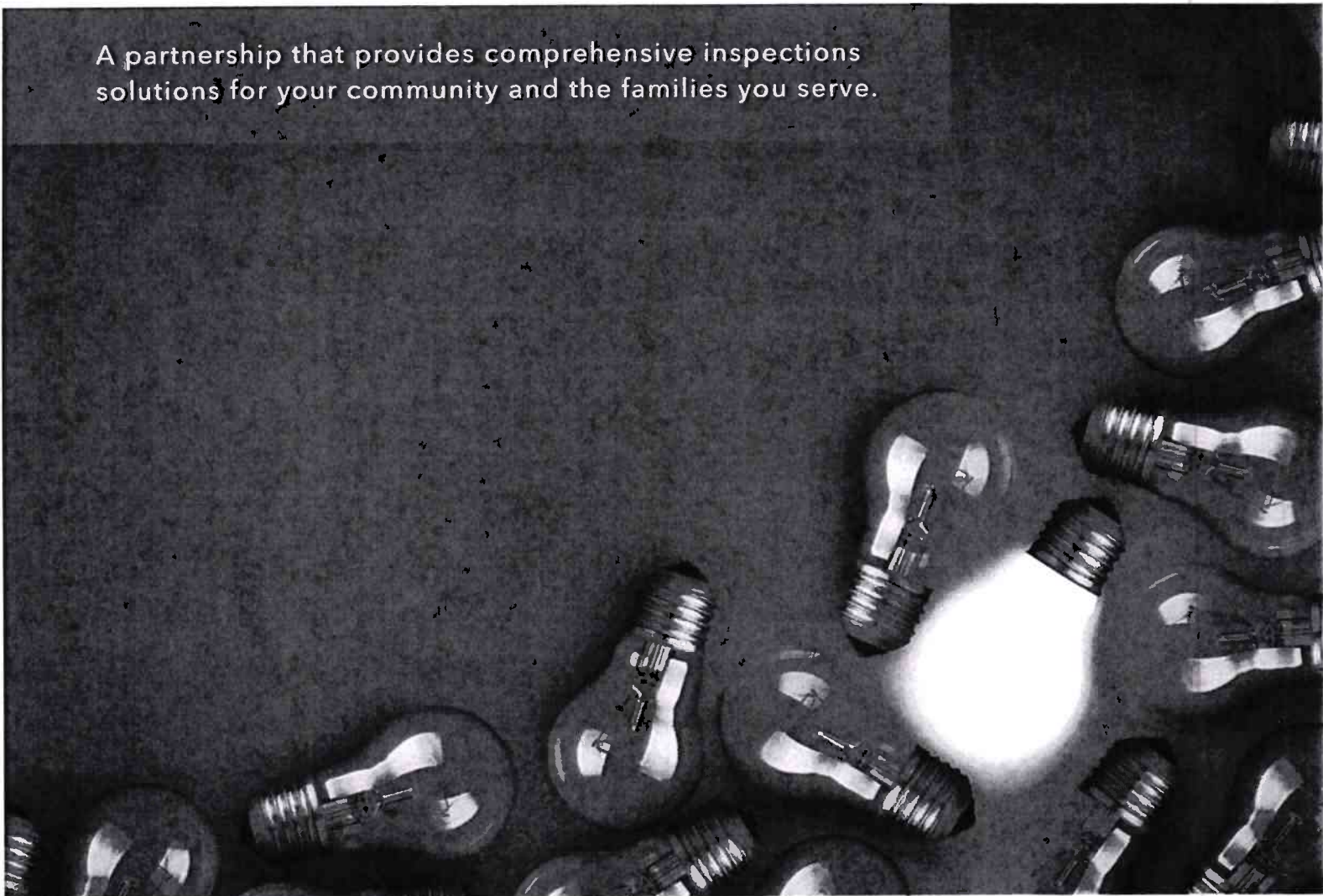


REQUEST FOR PROPOSALS | RFP 42203-D5

# SACRAMENTO HOUSING & REDEVELOPMENT AGENCY: HOUSING QUALITY STANDARDS INSPECTION SERVICES

PROPOSAL DUE DATE: MARCH 7, 2022

A partnership that provides comprehensive inspections  
solutions for your community and the families you serve.



NMAI  
1810 GILLESPIE WAY, SUITE 202  
EL CAJON, CA 92020  
[www.nanmckay.com](http://www.nanmckay.com)  
800.783.3100

**nmai**

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## 1. COVER LETTER

March 7, 2022

Attn: Darrin Samford  
Sacramento Housing and Redevelopment Agency  
630 I Street  
Sacramento, CA 95814

Dear Mr. Samford:

NMAI is pleased to submit our proposal in response to the Sacramento Housing and Redevelopment Agency's Request for Proposals to provide Housing Quality Standards Inspection Services.

NMAI is a subsidiary of Nan McKay & Associates, Inc. (NMA). Since 1980, NMA has been the leader in providing innovative solutions for the affordable housing industry. Our deep understanding of federal programs is backed by four decades of practice working directly with the U.S. Department of Housing and Urban Development (HUD) and public agencies nationwide. Annually, we administer over 100,000 housing contracts and manage more than \$4B in federal housing assistance funds.

NMA's inspections arm, NMAI, was created to fill the need expressed by our clients for high-quality, reliable housing inspections. Originally launched in 2013, NMAI conducts over 300,000 inspections annually for more than fifty (50) agencies and municipalities. As the leading inspections provider for PHAs nationwide, we successfully perform more inspections than any other firm. We believe that inspections are about more than simply checking a box; they are ensuring that each family has a decent, safe, and sanitary place to live. Our goal is to partner with your agency to provide exceptional inspection services for you and the families you serve.

To discuss the proposal, or if you need clarification or further information, please contact me at [john@nanmckay.com](mailto:john@nanmckay.com) or 1-800-783-3100, ext. 164.

Sincerely,

John McKay  
Manager, NMAI, LLC  
Incorporated in California

## 2. SCOPE OF SERVICES

### 2.1 Demonstrated Understanding

NMAI understands that the Sacramento Housing and Redevelopment Agency (SHRA) wishes to partner with an inspections firm that has the capacity to administer its housing quality standards (HQS) inspections efficiently, expeditiously, and at a SEMAP *High Performer* level. Our unmatched experience managing small, medium, and large HQS inspections programs for PHAs coast to coast will enable the SRHA-NMAI team to achieve SRHA's performance expectations.

NMAI is the leading provider of HQS inspection services nationwide, currently performing more than 300,000 inspections throughout the country with a staff of 130+ inspectors who are full-time NMAI employees. An SRHA-NMAI partnership will ensure SRHA's HQS inspections are administered at a high-performing level that supports SRHA's mission and vision.

NMAI has carefully reviewed the *Scope of Services* and *Performance Standards* delineated within the RFP. Each task identified in the *Scope of Services* represents a core service that NMAI customarily provides our housing clients. In fact, we believe no other inspection firm in the country offers more experience successfully completing the tasks associated with this solicitation.

A successful transition lays the foundation for a strong partnership and future performance excellence. NMAI has worked in tandem with hundreds of agencies to seamlessly and effectively transition inspection services, minimizing the impact on the agency and families served.

We will use that experience to ensure that SRHA's staff, participants, owners, and community stakeholders experience minimal disruption in service during the transition period. Our goal is to support the SRHA's standing in the community from day one.

No other inspections firm in the country completes more inspections on Yardi.

**NMAI is #1 in Yardi inspections nationwide.**

## 2.2 Work Flow Processes

NMAI will provide HQS inspection services for the housing portfolio of the Sacramento Housing and Redevelopment Agency (SHRA). These services include, but are not limited to:

- Scheduling inspections (including follow-up calls to reduce the chance of no shows);
- Conducting inspections;
- Preparing required reports;
- Appearing as needed at administrative hearings; and
- Implementing a comprehensive quality control (QC) process.

HQS inspections will be conducted in alignment with HUD’s guidelines and SHRA policies. NMAI regularly trains, consults, and performs HQS inspections across the country. Building on this experience, we will ensure that the following HQS areas are inspected consistently and accurately:



Once the contract is awarded and a notice to proceed is issued, NMAI will submit a data request for the following:

- Current administrative plan that includes SHRA’s noticing and inspection protocol;
- Current operating system manuals, as needed;
- Any local requirements in addition to HQS or HQS clarifications, if not included in administrative plan; and
- Point-of-contact phone numbers for SHRA program managers/contract coordinators.

NMAI will also work with SHRA to schedule a kickoff meeting to introduce staff, review roles and responsibilities, confirm expectations, and finalize the project timeline as needed.

Our goal is to partner with your agency to provide exceptional inspection services for you and your clients. Throughout all our engagements, inspections are completed in alignment with HUD regulations, as well as local policies. We provide high-quality customer service to landlords and

participants and a priority on ensuring your agency is positively represented throughout the community. Our teams are professional and hardworking to guarantee that our clients receive cost-effective inspections that enhance operations. By using NMAI services, agencies can focus on family interactions while we focus on ensuring units meet all HQS requirements.

### 2.2.1 NSPIRE

HUD's Real Estate Assessment Center (REAC) previously announced that UPCS-V would replace the current HQS inspections protocol. REAC has since moved to a new proposed model, the National Standards for the Physical Inspection of Real Estate and Associated Protocols (NSPIRE).

NMAI has been closely monitoring REAC's progress on the development of this new inspections protocol and is prepared to swiftly address the transition to NSPIRE when it arrives.


### 2.2.2 Customer Service Strategy

To help reduce no-shows and promote partnerships with the tenants and owners, the following steps are followed throughout the inspections process:


- Owners are notified when an inspector is in route to the property.
- Inspector arrives within ten (10) minutes of the scheduled appointment time.
- Inspector waits for the tenant and/or owner for fifteen (15) minutes past the scheduled appointment time.
- Additionally, our inspectors will strive to work with owners and/or tenants to resolve questions regarding specific inspection findings and cures.

NMAI is committed to providing exceptional customer service. To that end, we conduct regular, ongoing customer service training for all our team members, including on-the-spot coaching. The project management team will watch for opportunities to improve service, and model how to utilize the AIDET customer service framework used throughout all our offices.

Our relationships, work, and decisions are guided by honesty and integrity. We're transparent in our actions and hold ourselves to the highest ethical standards. Our team focuses on service and strives to increase customer satisfaction.



The **AIDET** Communication Framework



ACKNOWLEDGE

INTRODUCE

DURATION

EXPLANATION

THANK YOU

### 2.2.3 Work Plan & Scheduling

NMAI will be responsible for the scheduling and completion of all inspections and tasks associated with preparation of reports, training of inspection staff, and quality control. To design an optimal work plan that supports SHRA's goals, our team will review SHRA's existing annual work year consisting of forty-eight (48) to fifty (50) weeks. Based on the last annual inspection date of units, inspections will be scheduled to the week that accommodates completion within the required 364-day period.

Additionally, inspections will be scheduled with a minimum of a morning or afternoon window for annuals or on a specified, pre-arranged time for landlords on move-in inspections. All inspections will be scheduled within 72 hours of assignment by the SHRA. The schedule will incorporate required holidays as appropriate. This approach has been used to successfully allow for government holidays, make-up inspections, etc.

---

Outsourcing inspections to NMAI generally reduces an agency's costs for this work by 50%. In addition, staff normally responsible for administrative processing for inspections can be utilized to perform other job tasks.

NMAI will manage inspection administration within SHRA's Yardi software after completing the following tasks:

1. Assess how SHRA currently administers their inspections;
2. Identify any areas of streamlining or required process automation; and
3. Develop inspection administration manual specific to SHRA's Yardi software and processes.

NMAI provides a trained staff member to answer calls/questions from owners in order to provide quality customer service to all clients. We are also available to provide training workshops for owners through the duration of the contract with SHRA.

#### *2.2.4 Benefits of Remote Administrative Services*

As part of this proposal, we have provided pricing for both onsite and remote administrative services. We understand that SRHA has utilized onsite services in the past, and NMAI is prepared to provide administrative services in an onsite format if SRHA prefers to continue as such.

However, we also encourage SRHA to consider the extensive and proven benefits of leveraging remote administrative services. These benefits include:

**Optimal Staffing Model.** A remote model allows for additional staff training, oversight, and cross-management, with multiple levels of supervision reviewing the process to ensure we're in compliance. Our partnership with NMA means our employees have access to some of the best training in the industry, with a laser focus on crucial topics such as personally identifiable information (PII). NMAI staff are required to complete our PII course annually, in addition to HQS training and other required certifications.

**Increased Quality Control.** The onsite model means fewer opportunities for quality control (QC), and that means more opportunities for error. NMAI's stringent QC process ensures that remote admin work receives continual oversight from experienced industry professionals.

**Cost Efficiencies.** With a remote admin model, overhead expenses currently being shouldered by SRHA such as office supplies and technology costs are included in NMAI's pricing. Removing costs like postage, printing, computers, and mail room support from SRHA's equation adds up to significant cost savings every year.

**Proven Track Record.** NMAI has a verifiable track record of success rates using the remote admin model with large agencies of a similar size to SRHA. We currently provide remote inspection admin to more than twenty (20) clients located across the nation.



### 2.2.5 Conducting Inspections

Regardless of whether SRHA requires us to do so, NMAI ensures that inspections are completed to meet or exceed not just contract requirements, but also Section Eight Management Assessment Program (SEMAP) objectives. We perform quarterly internal QC for SEMAP and work closely with our clients to achieve the highest level of quality.

Additionally, it's vital to NMAI that we staff our engagements sufficiently, guaranteeing that we aren't overburdening our inspectors or compromising our commitment to exceptional standards of service. What's more, our inspectors are employees, not contractors. Not only do they undergo HQS training, they then participate in a minimum of three (3) to four (4) weeks of ride-along training with a mentor before being put in the field on their own. All NMAI inspections staff are certified in HUD regulations and often hold additional certifications such as HCV Specialist. Our team receives real-time training on areas of specific concern to our individual clients, as well as lead-based paint, carbon monoxide, and mold abatement. We pride ourselves on our professionalism and provide ongoing training to ensure our staff is well-versed in NMAI expectations and consistently professional and courteous to all clients, staff, and other contractors.

We will complete all required data entry on a daily basis to ensure contract compliance and maintain current and accurate information for HUD-50058 filings. Additionally, we can streamline the step of sending paper inspection packets for scanning by instead providing SRHA with an electronic deliverable (PDF), if desired. NMAI will complete inspections and provide required reports within all timeframes established by the agency.

Inspectors will arrive within ten (10) minutes of their scheduled appointment time and shall wait for tenant and/or owner for fifteen (15) minutes past the scheduled appointment if the tenant or owner is not present upon arrival. Our inspectors make sure to exhaust all remedies and take all reasonable action to reduce no-show appointments, including but not limited to:

- Visiting the common office
- Calling all numbers on file
- Taking a photo of the unit

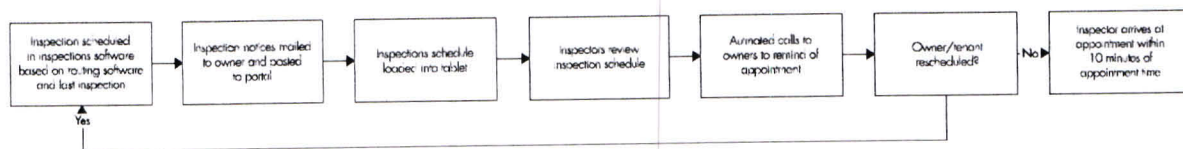
We will ensure that any owner/manager or resident requesting a fail summary report has this option available at the end of the inspection service. Inspectors will provide contact information to the owner and/or tenant and shall be available to answer questions about specific inspection findings and cures from owners, families or SHRA staff.

Calls received before 2 p.m. Pacific will be returned the same day, with calls after 2 p.m. Pacific being returned no later than the next business morning. Inspectors will make telephone contact with the owner and/or client whenever an inspection cannot take place at the scheduled time.

## 2.2.5.1 Initial Inspections

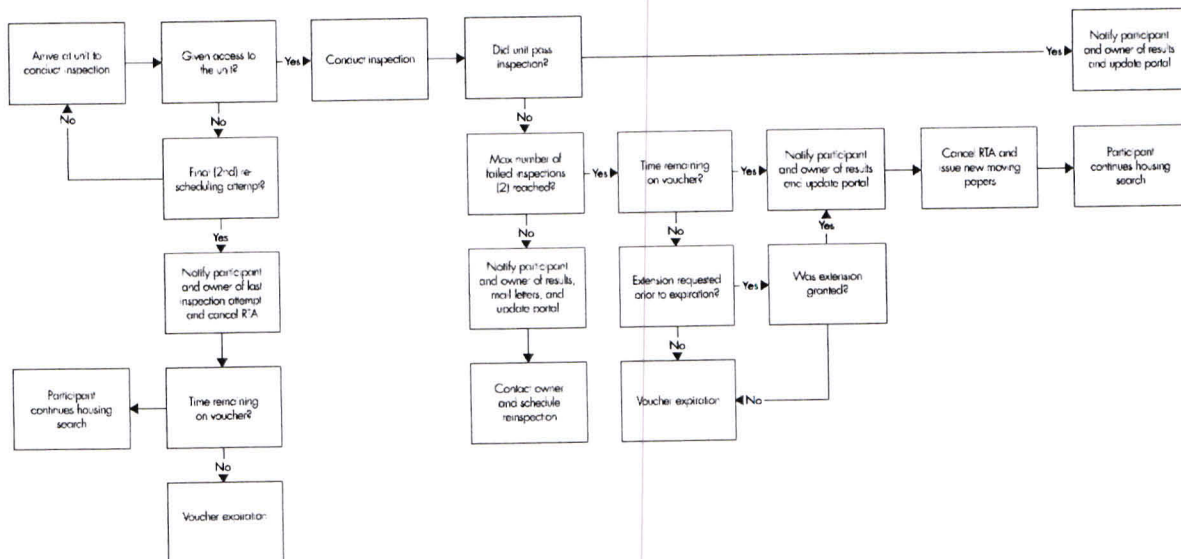
NMAI understands that in order to effectively conduct a high level of initial inspections, inspections scheduling must be accurate and timely. Additionally, in order to encourage owner retention, inspections must be conducted during the time window specified. NMAI initial inspections will be scheduled within 72 hours of the inspection request. Inspections will be scheduled on a geographic basis utilizing mapping software that will identify unit locations and schedule accordingly. Daily routes will be developed for our inspectors to minimize drive time and fuel costs. Owners and families will be provided with a 5-hour window for the inspection time, and the inspector will perform a call-ahead thirty (30) to sixty (60) minutes prior to arriving at the unit to let the owner know they are on the way.

Inspections are scheduled in line with the following process flow:



- Owners are notified when an inspector is in route to the property
- Arrive within ten (10) minutes of the scheduled appointment time
- Wait for the tenant and/or owner for fifteen (15) minutes past the scheduled appointment time.

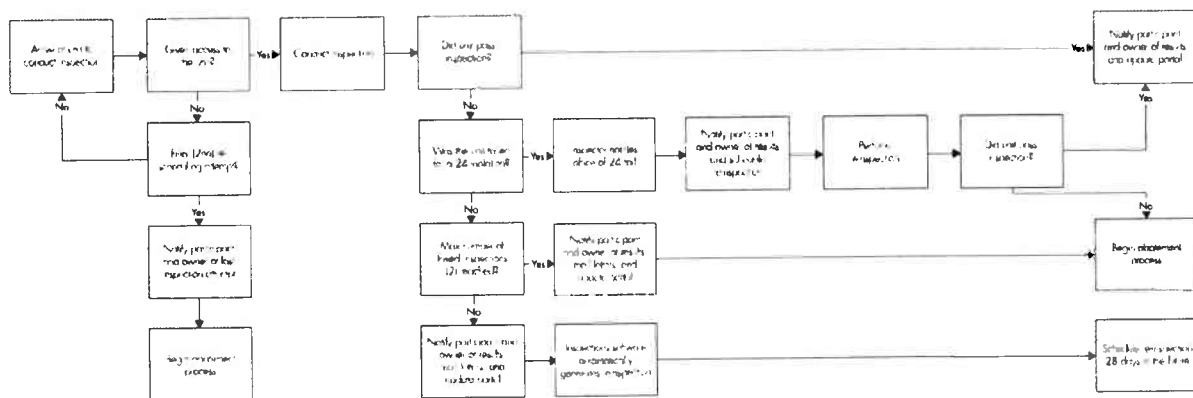
Additionally, our inspectors will strive to work with owners and/or tenants to resolve questions regarding specific inspection findings and cures:



### 2.2.5.2 Annual Inspections

The annual inspections process will begin with data extractions from the agency software and the Public and Indian Housing Information Center (PIC) that will assist NMAI in identifying all late, potentially late, in-progress, and future inspections that need to be completed. Priority will be placed on late (if any) and in-progress inspection services that need to be completed. NMAI will review SHRA's existing annual inspections schedules and based on the last annual inspection, inspections will be scheduled to ensure completion within the required 364-day period. NMAI analyst staff will review specific inspection reports to capture the required data and generate a report of inspections to be scheduled. NMAI will mail all inspections-related notices. An electronic file will be used to establish monthly mailing notice requirements.

Annual inspections will be performed utilizing a similar process flow to initial inspections:



### 2.2.5.3 Special Inspections

Special inspections can come from different sources, frequently and infrequently, and due to a variety of reasons, from regular home repairs to events as extreme as natural disasters. Special and complaint inspections will be conducted by NMAI with priority placed on those units where a life-threatening emergency has been reported. In the event of a natural disaster, such as a severe thunderstorm or blizzard, we will utilize our national presence to deploy NMAI inspectors from across the country, ensuring a rapid response and supporting SHRA's disaster recovery plan. Enforcement actions on complaint or special inspections will be consistent with the SHRA administrative plan.

### 2.2.5.4 Onboarding & Training Plan

All staff will be trained by NMAI and will be certified HQS inspectors. In addition, all new staff will be trained in customer service and, as needed, SHRA's software and handheld devices used by our team in the field.

## 2.2.5.5 Project-Specific Training

Prior to assignment, all NMAI personnel will receive comprehensive training related to the SHRA project and its deliverables. Our four-phased approach is as follows:

Phase I	Phase II	Phase III	Phase IV
Field Training Program for Inspector Staff	Deliverable Model File	Work Monitoring	Timeliness
<ul style="list-style-type: none"> <li>Develop and Implement project specific training</li> <li>Locale of the client dictates focus of training (e.g. mold abatement, radon, hazardous waste, etc.)</li> <li>NMAI staff receives inspection guidelines and forms</li> <li>NMAI staff receives contract and reporting requirements</li> </ul>	<ul style="list-style-type: none"> <li>Develop Model File, based on agency requirements, to serve as a guide for field and office staff</li> <li>Model File will include examples of proper reporting for techniques, and observations</li> </ul>	<ul style="list-style-type: none"> <li>NMAI staff will perform random QC sampling comparing work product to contract requirements</li> <li>Criteria for site staff responses are as follows: Project specific deliverable and performance requirements, remedy, timeframe, technical assistance</li> <li>Follow-up correction notices will be sent to the agency</li> <li>Master schedule and log will be maintained, tracking work completed to schedule</li> </ul>	<ul style="list-style-type: none"> <li>Monitor reporting requirements</li> <li>Develop submittal schedule</li> <li>Submit all reports to agency designee</li> </ul>

Key staff provide technical support to the field inspectors on all elements of the contract, including providing advice or counsel as needed. This support may include clarifying work items, updates or changes to scope of services, or special needs identified by SHRA.

## 2.2.5.6 Rent Reasonableness & Utility Allowance Determinations

NMAI is well-versed in rent reasonableness determinations and would be pleased to provide upon request as an additional service. Utility allowance calculations are performed for all new move-ins and included in our standard pricing for initial inspections.

### 3. EXPERIENCE OF FIRM

#### 3.1 References

The NMAI team has successfully executed complex projects for clients throughout the country. These past experiences give us the necessary skills and background to be successful in managing the inspection services for SHRA.

Throughout each of these engagements, we implemented our proven approach through solid project management, risk management, and regulatory knowledge, supported by high levels of customer service support. Our teams have had positive impacts throughout the industry and each one of these contracts resulted in exceeding the expectations of our clients.

This section includes information on comparable contracts, including the name of the client, project title, point of contact information, and services narrative.

#### Chicago Housing Authority

##### Description of Work Performed & Deliverables Provided

NMAI delivers HQS inspection services for the housing portfolio of the Chicago Housing Authority. These services include, but are not limited to, scheduling all inspections, conducting annual, initial, re-inspection, and complaint/special inspections, and providing inspection reports and data management for the inspection function.

**Contact:** Cheryl Burns  
**Phone:** 312-786-4046  
**Address:** 60 E Van Buren  
 Chicago, IL 60605  
**Email:** [cburns@thecha.org](mailto:cburns@thecha.org)  
**Services:** HQS Services  
**Term:** October 2018 – Present

#### Miami-Dade County Public Housing and Community Development

##### Description of Work Performed & Deliverables Provided

NMAI delivers HQS inspection services for the housing portfolio of Miami-Dade County Public Housing and Community Development (PHCD). These services include, but are not limited to, scheduling all inspections, conducting annual, initial, re-inspection, and complaint/special inspections, and providing inspection reports and data management for the inspection function.

**Contact:** Taycha Santos  
**Phone:** 305-344-5100  
**Address:** 701 NW 1st Court  
 Miami, FL 33136  
**Email:** [Taycha.Santos@miamidade.gov](mailto:Taycha.Santos@miamidade.gov)  
**Services:** HQS Services  
**Term:** January 2020 – Present



County of San Diego, Department of Housing & Community Development

Description of Work Performed & Deliverables Provided

NMAI delivers HQS inspection services for the County of San Diego, Department of Housing and Community Development (HCD). These services include, but are not limited to, scheduling all inspections, conducting annual, initial, re-inspection, and complaint/special inspections, and providing inspection reports and data management for the inspection function. NMAI also provides UPCS inspection services for HCD on an as needed basis.

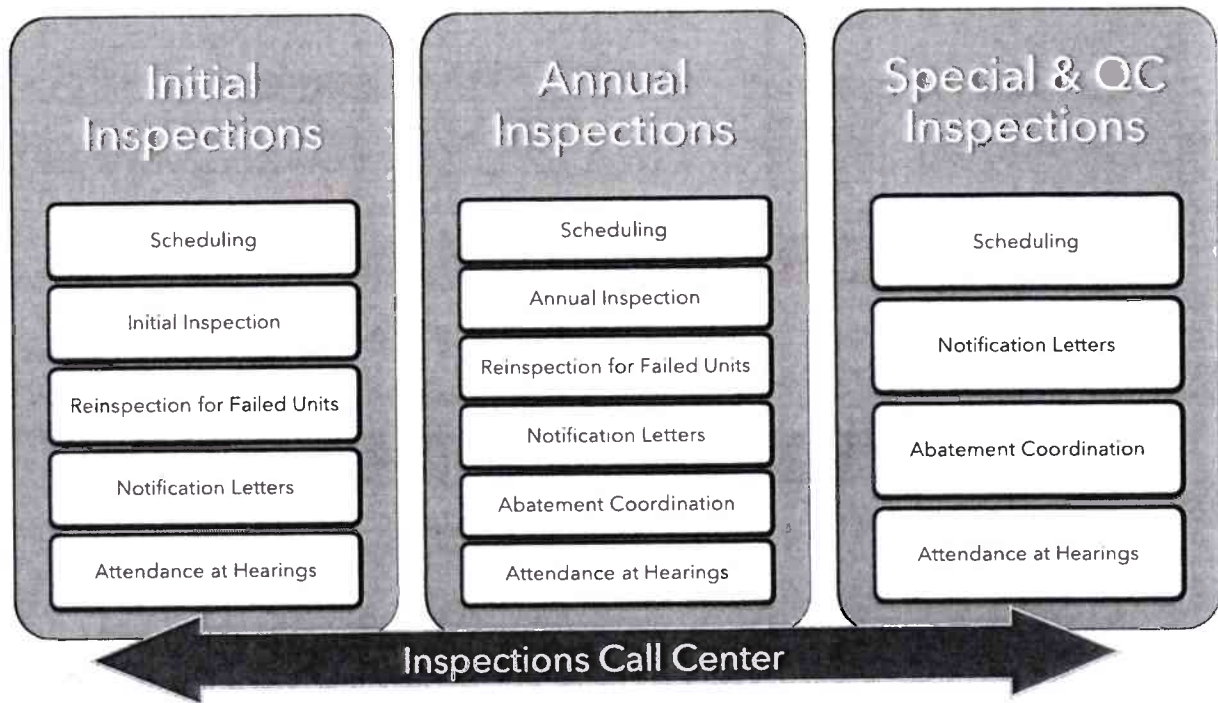
**Contact:** Scott Mansfield  
**Phone:** 619-510-8945  
**Address:** 3989 Ruffin Road  
San Diego, CA 92123  
**Email:** [Scott.Mansfield@sdcounty.ca.gov](mailto:Scott.Mansfield@sdcounty.ca.gov)  
**Services:** HQS & UPCS Services  
**Term:** February 2015 – Present

#### 4. AUTOMATED CALL REMINDER SYSTEM

Customer service is paramount at NMAI. Although our firm is an outsourced component of SHRA, we think of ourselves as part of the team and will work collaboratively with all parties to guarantee that the families and landlords served by SHRA receive exceptional customer service. The NMAI team will take a hands-on approach with SHRA property owners and will be available to participate in owner outreach programs and meetings. Staff members will be available to answer calls/questions from owners in order to provide top-quality customer service to all program participants. We are also available to provide training workshops for owners through the duration of the contract with SHRA.

We recognize that most customer concerns are generated from a failed inspection. However, our experience is that responsiveness, timeliness, and open lines of communication can mitigate even the most upset owner or tenant.

NMAI will provide automated reminder phone calls to tenants one (1) business day prior to the scheduled inspection date.



## 5. KEY TEAM MEMBERS

NMAI’s dynamic group of professionals brings an invaluable history of working collaboratively with PHAs, municipalities, and affordable housing providers across the nation. The NMAI project management team possesses more than fifty (50) years of experience with inspections procedures and will utilize this extensive experience to ensure SHRA’s inspections are completed correctly and in compliance with local and HUD requirements.



**Michael Petragallo**  
 Role: Engagement Manager

Michael Petragallo, vice president of inspection services, is responsible for the successful completion of over one million HQS inspections. Mr. Petragallo has also developed and supervised HQS, UPCS, and QC inspections and contracts for PHAs throughout the country, while maintaining an active presence in the field. Mr. Petragallo has experience with direct technical consulting, special inspection projects to address construction and rehabilitation, and developing technical solutions for lead-based paint abatement programs.

Michael will serve as the engagement manager for this project. He will work closely with the SHRA to ensure that all deliverables are met, that the work performed exceeds expectations, and that we are continuing to build a strong partnership. Michael will be available as needed for meetings, presentations, and if any issues arise in the performance of this contract.



**Deb Torvik**  
 Role: Project Manager

Deb Torvik, director of inspections, has more than twenty (20) years of experience providing inspection services to the affordable housing industry. Currently, Ms. Torvik oversees and manages more than 300,000 inspections on an annual basis.

Deb will serve as the project manager for this engagement and will establish the protocols and processes necessary to achieve SHRA’s inspection goals. She will oversee the project throughout the contract and will serve as the main point of contact for contractual concerns or questions. Deb will also submit regular project status reports and monitor all project milestones and deliverables.

### 5.1 Key Personnel Resumes

Included within this section are full resumes of NMA’s proposed key personnel.





**Michael Petragallo**  
*Vice President Inspection Services*

**EXPERTISE**

- ☑ Housing Quality Standards
- ☑ UPCS Regulations
- ☑ Quality Control
- ☑ Technical Solutions
- ☑ Efficiency Audits
- ☑ HUD REAC

**CERTIFICATIONS**

HQS Inspector/Trainer  
 UPCS Inspector/Trainer  
 HUD REAC (#MF3508)  
 FEMA Housing Inspector  
 HUD Visual LBP Inspector  
 Licensed CA Real Estate Appraiser

**CONTACT INFORMATION**

Email: mpetragallo@nanmckay.com  
 Phone: 800.783.3100

**PROFILE**

Mr. Michael Petragallo, Vice President of Inspection Services, is responsible for the successful completion of over one million HQS inspections. Mr. Petragallo has also developed and supervised HQS, UPCS, and QC inspections and contracts for PHAs throughout the country, while maintaining an active presence in the field. Mr. Petragallo has experience with direct technical consulting, special inspection projects to address construction and rehabilitation, and developing technical solutions for lead-based paint abatement programs.

**EXPERIENCE**

*Senior Vice President*

Nan McKay & Associates, Inc., El Cajon, CA | 2013 to Present

- Responsible for the successful completion of over one million HQS and UPCS inspections.

*President*

Sterling Co. Inc., Berkley, CA | 1996 to 2013

- As the director of operations, including all inspection services, Mr. Petragallo developed and supervised HQS, UPCS, PM, QA inspections and contracts for PHAs in TN, TX, VA and CA and maintained an active presence in the field on all Sterling contracts.
- The scope of work under these contracts has included direct consulting with PHAs on special projects to address, inspection needs, construction and rehabilitation on special projects, developing technical solutions for lead paint abatement programs.
- As the field supervisor for the FEMA H.I.S. Program, Mr. Petragallo has individually completed over 10,000 H.I.S. inspections and directed and supervised the completion of over 1,000,000 H.I.S. inspections. As field supervisor, he directly trained and certified over 200 field and quality control inspectors under this program.

*Owner Broker*

Century21 Real Estate & Property Management | 1987 to 1990

- Owner broker of a national franchise real estate company.
- Maintained education with specific attention real property and real property maintenance and management.
- Directly managed training, property management, and document review of all transactions,

*Managing and Assistant to the Department*

Tahoe Saving & Loan | 1982 to 1987

- Responsible for site inspection of single and multi-family construction projects.
- Oversight of staff inspectors and appraisers on \$100 million of construction disbursements.



1810 Gillespie Way, Suite 202  
El Cajon, CA 92020  
800.783.3100 • www.nanmckay.com

# HCV Housing Quality Standards Specialist

Be it known by this certificate that

## Michael Petragallo

Has fulfilled the certification requirements of  
Nan McKay & Associates, Inc. and NMA  
University, by successful completion of the  
HCV Housing Quality Standards Examination

*Nan McKay*  
Nan McKay, President

1/10/2019

Date

Continuing Education Units: 1.9



Nan McKay & Associates is accredited by the International Association for Continuing Education and Training (IACET) and is accredited to issue the IACET CEU.



Nan McKay & Associates is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 130 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Web site: www.nasba.org. In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour. CPE Sponsor ID# 101539

# *CONGRATULATIONS*

*Michael Petragallo*

---

*has successfully completed the U.S. Department  
of Housing and Urban Development,  
Office of Healthy Homes and Lead Hazard Control's*

## *VISUAL ASSESSMENT COURSE*

*pursuant to 24 Code of Federal Regulations Part 35*

---

*Jonette G. Hawkins  
Director, Program Management and Assurance Division  
Office of Healthy Homes and Lead Hazard Control*



*U.S. Department of Housing and Urban Development*



**REAL ESTATE  
ASSESSMENT CENTER**  
1280 Maryland Ave, SW  
Washington, D.C. 20024  
877-406-9220



*Edward A. Smith*  
Inspector Admin Prog Mgr.



**INSPECTOR'S NAME:**

**MICHAEL R. PETRAGALLO**

**HEIGHT: WEIGHT: SEX:**

**5'8" 145 M**

**HAIR: EYES:**

**BROWN HAZEL**

**Date Issued: May 9, 2002**

**I.D. NUMBER: MF3508**



**Deb Torvik**  
*Director  
Inspection Services*

## Experience

### Director, Inspection Services

Nan McKay & Associates, Inc., El Cajon, CA | 2013 to Present

- Responsible for ensuring regulation compliance in regards to HUD and Section 8 Housing guidelines; Specializing in HQS, UPCS, and Pre-REAC Inspections.
- Responsible for administrative support for HUD Housing Inspection Company.

### Administrator & Property Inspector

Sterling Company, Inc. | 2005 to 2013

- Responsible for providing administrative support for HUD Housing Inspection Company and ensuring compliance with all regulations in regard to HUD and Section 8 Housing guidelines; specializing in HQS, UPCS and Pre-REAC Inspections.

### Community Manager

Mercy Services | 2002 to 2003

- Responsible for overall management and compliance for a 70 unit Affordable Housing project in South Lake Tahoe.  
Duties included tenant screening, contracts, ensuring HUD and California Housing and Finance Agency compliance, presentation of life skills training/ classes for residents as well as general property management.

### Assistant Hotel Manager

Caesars Tahoe Hotel & Casino | 2001 to 2002

- Responsible for all aspects and operations of the Front Desk, Bell Desk & Valet Services, including a staff of approximately 25, for the 440 room hotel.

### Executive Director

Master Owner's Association | 1998 to 2001

- Responsible for managing nine homeowners associations, office and maintenance staff of 10 – 15, establishing and executing an annual budget of approximately \$800,000.
- Responsible for Architectural Plan Review and enforcement as well as general community development.

### Assistant Lodging Director

Kirkwood Lodging | 1996 to 1998

- Extensive interaction with customers as well as owners.
- Responsible for a staff of five to ten agents, depending upon the season.

### Co-owner

South Lake Tahoe Realtors | 1987 to Present

Co-owner of South Lake Tahoe Realtors, a real estate sales and property management company.

## Expertise

- ☑ Housing Quality Standards
- ☑ UPCS
- ☑ Quality Control
- ☑ Technical Solutions
- ☑ Efficiency Audits
- ☑ HUD REAC

## Certifications

HQS Inspector

UPCS Inspector

Certified Property Manager

CA Real Estate Salesperson

## Contact Information

Email: dtorvik@nanmckay.com

Phone: 800.783.3100



1810 Gillespie Way, Suite 202  
El Cajon, CA 92020  
800.783.3100 • www.nanmckay.com

# HCV Housing Quality Standards Specialist

Be it known by this certificate that

**Deb Ward**

Has fulfilled the certification requirements of  
Nan McKay & Associates, Inc. and NMA  
University, by successful completion of the  
HCV Housing Quality Standards Examination

*Nan McKay*

Nan McKay, President

1/10/2019

Date

Continuing Education Units: 1.9



Nan McKay & Associates is accredited by the International Association for Continuing Education and Training (IACET) and is accredited to issue the IACET CEU.



Nan McKay & Associates is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Web site: www.nasba.org. In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour CPE Sponsor ID# 101539.

## *CONGRATULATIONS*

*Debbie Ward*

---

*has successfully completed the U.S. Department  
of Housing and Urban Development,  
Office of Healthy Homes and Lead Hazard Control's*

## *VISUAL ASSESSMENT COURSE*

*pursuant to 24 Code of Federal Regulations Part 35*

---

*Jonnette G. Hawkins  
Director, Program Management and Assurance Division  
Office of Healthy Homes and Lead Hazard Control*



*U.S. Department of Housing and Urban Development*

### 5.2 Inspections Team

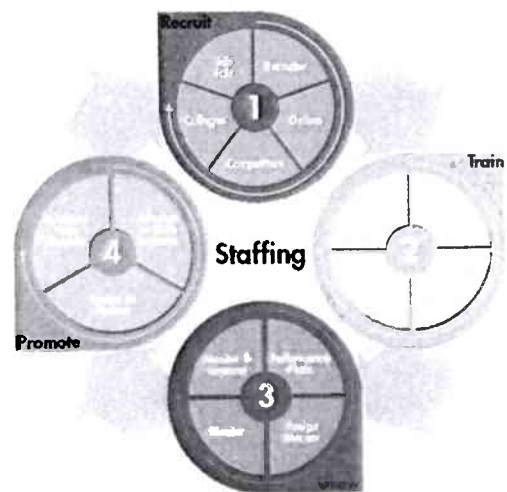
NMAI will initially utilize our staff inspectors to conduct inspections for SHRA, but recognizes the importance of utilizing local talent for local jobs. Whenever possible, NMAI will work to hire and train local, experienced resources to perform the proposed inspections. NMAI will conduct outreach to Section 3 applicants registered with SHRA and make every effort to hire Section 3 eligible applicants.

Once local staff is brought onboard, each inspector will report to a local lead inspector, who will in turn report to the project manager, Deb Torvik.

### 5.3 Staff Retention, Screening, Training & Monitoring

NMA is a Section 3 business concern, and we are committed to providing opportunities for Section 3 residents. We work with all our PHA partners and resident organizations to advertise any available positions.

Applicants with demonstrated qualifications undergo a preliminary review and an online assessment of their basic calculation skills, written communication skills, reading comprehension, critical thinking, motivation, and customer service skills. Background screenings are performed once an applicant proceeds past the interview round. Applicants clearing all screening requirements, including core competency analysis, are ranked based upon results of technical testing and demonstrated customer service skills. Applicants who meet established standards are referred for a final interview.





## 6. PROJECT MANAGEMENT APPROACH

### 6.1 Forms & Reports

NMAI will utilize all required forms approved by SHRA to perform HQS inspections. Additionally, NMAI will use the reports available in SHRA's software for regular reporting. Should SHRA require additional information or special reports (e.g., board presentations), NMAI will develop a template, request SHRA review and approval, and prepare the report accordingly.

### 6.2 Communication

NMAI will follow the communication standards established by SHRA and adapt as required by the project.

NMAI provides regulatory and operational expertise required to conduct inspections while also offering the high-quality customer care that NMA's reputation is built on.

### 6.3 Resource Management

- The lead inspector will be responsible for the assignment and coordination of all field staff resources.
- The lead inspector will, prior to assigning personnel to a new project/inspection route detail, review their work assignment schedule for an applicable period.
- NMAI will monitor and sample the performance of field personnel. Should issues arise, NMAI will take the initiative to mitigate the issue, including re-assignment of personnel if necessary. SHRA will be informed immediately should any issues surface.
- NMAI has the flexibility to employ an experienced, knowledgeable staff on a full-time basis. This will provide SHRA the ability to request and utilize more or fewer staff from NMAI at any given time, without impacting the quality of personnel or service provided.

### 6.4 Quality Control Program

Quality control (QC) inspections are an important part of ensuring staff performance and educating landlords on the program. NMAI QC inspectors will review a minimum of two (2) times the number of SHRA's SEMAP-required units. The sample will include passed inspections within the last thirty (30) days and be comprised of all types of inspections, neighborhoods, and inspectors. All deficiencies, pre-existing or not, will be required to be corrected by the responsible party in accordance with SHRA policies. However, the QC plan will emphasize identification of pre-existing conditions because the lack of awareness of these conditions clearly demonstrates areas that should be emphasized in the professional development of inspectors.

#### *6.4.1 Field Monitoring*

The lead inspector will make random visits to provide a check and balance to the reports filed by site inspectors and ensure SHRA receives exceptional service. If any errors or variances occur, the lead inspector will inform SHRA's project manager of implementation of the remedy. A correction plan will be in place to address any problems with inspector performance, customer service, revised guidelines, and additional support. This information will be maintained in an inspector/project file.

#### *6.4.2 Technical Support*

Key staff provide technical support to the field inspectors on all elements of the contract, including providing advice or counsel as needed. This support may include clarifying work items, updates or changes to scope of services, or special needs identified by SHRA.



## 7. DEMONSTRATED CAPACITY

With a staff of more than 130 full-time inspectors located across the country, NMAI is prepared to handle any and all volume of work and requested turnaround times.

On average, we perform 1,250 HQS inspections daily, over 25,000 per month, and in excess of 300,000 per year. We perform an average of 100 UPCS inspections per day, over 2,000 per month, and approximately 25,000 per year.



## 8. SECTION 3 REQUIREMENTS

Included in this section is NMAI's completed *Attachment E, Declaration of Understanding and Intent to Comply with Section 3 Requirements.*

## Attachment E



**SECTION 00620 - DECLARATION OF UNDERSTANDING AND INTENT TO COMPLY WITH  
SECTION 3 REQUIREMENTS**

**General Submittal Instructions**


**Bidder/Proposer is required to submit a completed Section 3 and Economic Opportunity Plan(s) with bid.** A "non-responsive" determination may be made due to non-submittal. All first-tier subcontractors of the awarded Bidder are required to submit the completed Economic Opportunity Plan within 10 days of award.

**Bidder/Proposer AND its first-tier subcontractors whose Economic Plans indicate no subcontract awards to certified Section 3 Business Concerns will be required to submit supporting documentation for review and approval verifying outreach efforts and attempts to award subcontracts to Section 3 Business Concerns in bid.** A "non-responsive" determination shall be made due to a lack of documented outreach to Section 3 Business Concerns by the Bidder/Proposer. Exception: bid/proposal indicating no projected hiring and/or subcontracting opportunities.

**Special Instructions for SHRA Developers**

Submit all completed Section 3 and Economic Opportunity Plans before construction begins or at the beginning of each project phase (determined on case-by-case). Developers submit completed Plans to:

Sacramento Housing and Redevelopment Agency  
Procurement/Section 3  
801 12<sup>th</sup> St, 2<sup>nd</sup> Floor  
Sacramento, CA 95814  
[Section3@shra.org](mailto:Section3@shra.org)

<b>Prime Contractor Name:</b> NMAI, LLC	<b>Subcontractor:</b> None
<b>Contact Name:</b> Emily Frampton	<b>Email Address:</b> eframpton@nanmckay.com
<b>Telephone Number:</b> 619-857-4665	<b>Dollar Value of</b> <input checked="" type="checkbox"/> <b>Contract</b> <input type="checkbox"/> <b>Subcontract</b> \$TBD
<b><i>Check All That Apply for This Project and Follow Instructions as Applicable</i></b>	
<input checked="" type="checkbox"/> I am the Prime Contractor <input type="checkbox"/> I am a Subcontractor <input type="checkbox"/> Prime/Sub Contractor will comply with Section 3 outreach for subcontracts as a result of this bid/proposal <input checked="" type="checkbox"/> Prime/Sub Contractor will comply with Section 3 labor hours as a result of this bid/proposal <input type="checkbox"/> There will be no subcontracts or Section 3 labor hours as a result of this bid/proposal	
<b><i>Bidder for the above bid/solicitation number and project hereby understands and agrees to comply with all provisions of Section 3 as set forth in 24 CFR 75 and SHRA's Section 3 Economic Opportunity Plan/Policy requirements, as applicable. Noncompliance with HUD's Section 3 regulations will result in sanctions, termination of the contract/agreement for default and debarment or suspension from future HUD-assisted contracts.</i></b>	
<b>Authorized Official's Signature:</b> 	<b>Date:</b> 3/7/22
<b>Print Name and Title:</b> John McKay, Manager	

**SUBMIT WITH BID/OFFER BY PRIME CONTRACTOR ONLY**

Attachment E



**SECTION 00630 - SECTION 3 ECONOMIC OPPORTUNITY PLAN**

Project: HQS Inspection Services Project #: 2201-DS Date: 3/7/22

Prime Contractor: NMAI, LLC

PART I:  Contractor  Subcontractor Section 3 Business Concern  Yes  No

Firm Name: NMAI, LLC Contact: Emily Frampton

Phone Number: 619-857-4665 Fax Number: N/A E-mail: eframpton@nanmckay.com

Address: 1810 Gillespie Way, Suite 202

City: El Cajon State: CA Zip Code: 92020

**Employment Opportunities**

**PART II:** Contractors or subcontractors receiving federal funds are required to adhere to Executive Order 11246, by Section 3 of the HUD Act of 1968 (12 USC 1701u) and 24 CFR Part 75, the General Conditions of the Contract for Construction, and SHRA's Section 3 Declaration of Understanding and Intent to Comply with Section 3 Requirements. If awarded a contract, it further agrees to comply with all such requirements, including without limitation, committing to an employment and training goal (Tier I) AND award a subcontract to Section 3 Business Concerns (Tier II), *to the greatest extent feasible*. The business entity further understands and agrees that these commitments will be included as obligations in any contract awarded and its failure to comply will be deemed a material default under the contract.

**TIER I: HIRING COMMITMENT** (25% of labor hours to be performed by Section 3 workers)

JOB CLASSIFICATION(S) NEEDED TO COMPLETE THE PROJECT (i.e. Administrative, Laborer, Electrical, Demolition, Asbestos Abatement, Technical, Management, Security)	CURRENT WORKFORCE LABOR HOURS	REQUIRED WORKFORCE LABOR HOURS, IF AWARDED CONTRACT	Labor Hours Performed By Section 3 Workers
TBD	TBD	TBD	TBD

Attach additional sheets if necessary

By making a commitment above to hire Section 3 workers, the business entity understands and commits to following the Section 3 Workers Priority Selection by giving first priority to individuals residing in the SHRA development where the work is being performed to complete labor hour requirements.

**Attachment E**

**\*Section 3 LABOR HOURS:** Twenty-five (25) percent of total labor hours on HUD funded projects must be performed by eligible Section 3 Workers, and clearly documented in E-Comply and Section 3 forms.

**\*\* Section 3 Worker Priority Selection:**

- 1<sup>st</sup> Priority (P1): Individuals residing in the SHRA Development where the project is located and/or the Jobs Plus or Resident Services Program.
- 2<sup>nd</sup> Priority (P2): Individuals residing in other SHRA owned or managed developments/properties.
- 3<sup>rd</sup> Priority (P3): All other Section 3 eligible workers in Sacramento City/County.

**TIER II: SUBCONTRACTORS LIST (25% Section 3 Labor Hours)**

SUBCONTRACTOR NAME AND CONTACT	TRADE	Section 3 Business? Yes or No	Subcontract Amount
N/A			

Attach additional sheets if necessary

**PART III: OTHER EFFORTS THAT WILL BE MADE TO GENERATE ECONOMIC OPPORTUNITIES**

Pursuant to 24 CFR § 75 and/or SHRA's Section 3 Economic Opportunity Plan Policy, please outline your plan to provide other economic opportunities to Section 3 Workers and Section 3 Business Concerns if you cannot satisfy Tier I and Tier II goals or desire to offer additional opportunities. Your plan should include quantifiable goals (i.e. specific number of individuals to be trained, enrolled in apprenticeship or other programs, mentored or hired as interns; dollar commitment, etc.). Examples may include training and apprenticeship programs, mentorship, internship. If you need more space, attach additional pages.

If NMAI cannot satisfy Tier 1 goals, we would be pleased to contribute to SHRA's Section 3 fund.

Attach additional sheets if necessary

**PART IV: NOTES & COMMENTS**

Attach additional sheets if necessary

Attachment E

PART V:

**Notification of the Intent to Use Current Workforce**

We do not anticipate hiring any Section 3 workers during the contract period. However, should any positions become available we will notify SHRA by completing the upper section of this form.

---

I declare, under penalty of perjury, that the above is true and correct to the best of my knowledge.

NMAI, LLC

**Contractor/Subcontractor Name**

DocuSigned by:

*John McKay*

**Signature**

3/7/22

**Date**

John McKay

**Print Name**

Manager

**Title**

Questions regarding the completion of this form can be submitted to [section3@shra.org](mailto:section3@shra.org)



The leading partner for PHA inspections nationwide.  
100 percent invested in your success.



nmai

NMAI  
1810 Gillespie Way, Suite 202  
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92020

800.783.3100  
619.258.5791  
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