



# CITY COUNCIL STAFF REPORT



**April 12, 2022**

## **ITEM TITLE**

Consultant Agreement: Waiving Competitive Bid Requirements; Approval of an Agreement with B. Adair Consulting for On-Call Federal and State Grant Administration Support Services; and Making Attendant Budget Transfers

**Report Number:** 21-0217

**Location:** No specific geographic location

**Department:** Development Services

**Environmental Notice:** This activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act (“CEQA”) State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

## **Recommended Actions**

Adopt a resolution (1) waiving competitive bidding requirements; (2) approving an agreement with B. Adair Consulting for on-call grant management support services for the City of Chula Vista’s Federal and State grant programs, with a maximum contract period of five years and a not to exceed amount of \$300,000; (3) approving a budget transfer of \$100,000 from the Other Expenses category to the Supplies & Services category in the Housing Division Grant Administration funds under the Federal Grants Fund for Community Development Block Grant (CDBG) Operations; and (4) authorizing a budget transfer for that purpose. **(4/5 Vote Required)**

## **SUMMARY**

As an entitlement community, the City of Chula Vista receives approximately \$4 million of combined federal block grant funds annually. Administration of these grant funds require extensive and unique expertise to ensure all programmatic and fiscal requirements are met as the funds are spent. In the last two years, the City’s funding allocations have increased significantly along with additional administrative requirements. B. Adair Consulting (“Consultant”) has decades of experience, including performing services for the City of Chula Vista, with a diverse range of housing, community, and economic development programs, requirements, and regulations. This item seeks to waive the competitive bid requirements pursuant to

Chula Vista Municipal Code (“CVMC”) section 2.56.070(b)(3); approve an Agreement with B. Adair Consulting, including options to extend the Agreement; and appropriating finds therefor.

## **ENVIRONMENTAL REVIEW**

The Director of Development Services has reviewed the proposed activity for compliance with CEQA and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Pursuant to the National Environmental Policy Act (“NEPA”), the activity is exempt pursuant to Title 24, Part 58.34(a)(2)&(3) of the Code of Federal Regulations and pursuant to the U.S. Department of Housing & Urban Development (“HUD”) Environmental Guidelines. Thus, no further environmental review is necessary at this time. Although environmental review is not necessary at this time, once a project(s) has been defined, environmental review will be required and a CEQA/NEPA determination completed prior to initiation of any related project activity.

## **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

Not applicable.

## **DISCUSSION**

The City of Chula Vista, as a HUD entitlement community, is eligible to receive an allocation of funding through three block grant programs. To do so, the City must comply with all federal regulations governing the use of the funds. Title 24 Code of Federal Regulations (CFR) Part 570 provides guidance for management and use of the grant funds. In addition to annual allocations, the City has received additional funding generated through a variety of federal, state and local program funds related to the COVID-19 pandemic. The recent increase in Housing grant funding has necessitated a substantial increase in administrative oversight.

In the past, the City has contracted with B. Adair Consulting to assist Housing staff with planning and implementation of various grant programs. B. Adair Consulting has unique knowledge and experience, having previously provided services to the City, to assist the Housing Division with management of the Community Development Block Grant (“CDBG”), Home Investment Partnerships Act (“HOME”) and Emergency Solutions Grant (“ESG”) on an on-call basis. As a result, the City’s interests would be better served by waiving competitive bid requirements as allowed by CVMC section 2.56.070(b)(3).

The scope of the contract will include general program consultation and program management support including, but not limited to, the following:

- Review, report and advise proposed legislation and/or regulations that impact the City’s use of the grant funds.
- Annual on-site monitoring of subrecipient/nonprofits that receive grant funds to ensure program compliance.
- Coordinate with City staff to ensure timely use/reimbursement of CDBG funds including reconciling financial records.
- Assist the City with interface with IDIS system to complete all necessary fiscal and programmatic requirements.
- Coordinate and prepare required planning documents (Five-Year Consolidated Plan, Annual Action Plan, Citizen Participation Plan and Consolidated Annual Performance Evaluation Report) for HUD submittal.

- Provide technical assistance to City staff and subrecipients to ensure that they are complying with HUD's requirements.
- Resolve any open HUD issued findings to ensure that findings are closed.
- Assist City staff in auditing program documents and other related functions.

City Council/Housing Authority Action

Approving the proposed resolution authorizes the City Manager, or their designee, to enter into a contract with B. Adair Consulting to provide on-call services for an initial period of one (1) year, with four (4) additional one-year options to extend based on fund availability, for a total agreement period not to exceed five (5) years. If the agreement were extended for the total five years, the not to exceed amount would be \$300,000, as summarized in Table 1.

**Table 1 - Annual Contract Costs**

Term	Amount
Initial	\$ 100,000.00
Option Year 1	\$ 50,000.00
Option Year 2	\$ 50,000.00
Option Year 3	\$ 50,000.00
Option Year 4	\$ 50,000.00
<b>Total</b>	<b>\$ 300,000.00</b>

**DECISION-MAKER CONFLICT**

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

**CURRENT-YEAR FISCAL IMPACT**

There is no current year fiscal impact to the General Fund as a result of this action. Consultant costs will be covered through the available Housing Division Grant Administration funds under the Federal Grants Fund for Community Development Block Grant (CDBG) Operations. A Budget Transfer will be completed to reallocate \$100,000.00 of administration funds from the Other Expenses category to the Supplies & Services category.

**ONGOING FISCAL IMPACT**

There is no ongoing fiscal impact to the City's General Fund as a result of this action. Future grant funds would be allocated during the annual budget cycle, as necessary for these services.

**ATTACHMENTS**

1. Two-Party Agreement with B. Adair Consulting

*Staff Contact: Tiffany Allen, Director of Development Services  
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