



Berkeley Housing Authority

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Office of the Executive Director

Item 7D

NEW BUSINESS

June 8, 2023

To: Honorable Chairperson and
Members of the Housing Authority Commission

From: James W. Williams, Executive Director

Subject: Contract amendment for inspection services with iSterling

RECOMMENDATION

Approve the third one-year contract renewal option with iSterling extending the term of the Housing Quality Standards (HQS) Inspection Services contract through June 30, 2024 and increasing the contract amount by \$85,000 for a not exceed contract amount of \$283,000.

BACKGROUND

Contracting out initial, annual, and special Housing Quality Standards inspections allows BHA to incur costs on an as needed basis, while giving us access to highly skilled Inspectors.

Staff complied with all applicable HUD procurement regulations in issuing an RFP for inspections services in 2019, and the Board approved a two-year contract, which ends June 30, 2022. The action taken tonight will allow us to continue receiving service from our current vendor, which has met our expectations to date, and for the past 15 years.

iSterling continues to employ highly skilled staff on this contract. The individual inspectors have established positive relationships with our assisted households, and garnered the respect of many landlords. iSterling has been very flexible, and accommodating with regard to the needs of our operations. A fee is assessed for each inspection performed. There is no management fee associated with this contract, however there is a minimum number of inspections per week. In the past seven years the fee (equal to an inspection) has been increased only once.

BHA has reinstated the annual inspections protocol, which was on hold during the pandemic. iSterling stood ready and supportive of our efforts. Staff appreciates the flexibility and support of iSterling while working in a unique and sometimes unpredictable environment.

The initial term of the two-year contract with a not to exceed amount of \$122,000 expired at the end of June 2021. In May 2021, the Board approved the first one-year contract renewal extending the term to June 30, 2022 for an additional amount of \$76,000 for a not to exceed amount of \$198,000. Because of the suspension of annual inspections due to the pandemic the contract was not utilized as much, thus on June 9, 2022, the Board approved the second one-year option extending the term to June 30, 2023 without an increase in the contract amount.

FINANCIAL IMPLICATIONS

\$85,000 is included in the inspection budget for Fiscal Year (FY) 2023-24.

CONTACT PERSON

James E. Williams, Executive Director, 981-5485

Jesy Yturralde, Finance Manager, 981-5488

Attachment: Resolution

BERKELEY HOUSING AUTHORITY
RESOLUTION NO. 23-___

ADOPT A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXERCISE THE THIRD ONE-YEAR RENEWAL OPTION AND ENTER INTO YEAR 5 OF THE INITIAL CONTRACT PERIOD WITH iSTERLING, INC, THROUGH JUNE 30, 20213, AND INCREASE AMOUNT BY \$85,000 FOR A NOT TO EXCEED CONTRACT AMOUNT OF \$283,000.

WHEREAS, the Berkeley Housing Authority is required to perform an inspection of every assisted unit at least once every other year, more frequently if necessary, to ensure the unit meets minimum standards and provides a safe and decent living environment for the assisted family; due; and

WHEREAS, the existing contract for inspection services expires on June 30, 2023; and

WHEREAS, the existing contract has a not to exceed amount of \$189,000; and

WHEREAS, BHA budgeted \$85,000 for inspection services in FY2024; and

WHEREAS, iSterling has demonstrated its willingness to partner with BHA by providing quality service, ramping up inspection capacity as needed to ensure BHA's highest possible rating under SEMAP, reducing their per unit inspection fee; and

WHEREAS, iSterling provides reliable and high-quality customer service to BHA staff and participating landlords, and a willingness to be accommodating and flexible;

NOW THEREFORE, BE IT RESOLVED, that the Executive Director is authorized to exercise the third one-year renewal option and enter into Year 5 of the contract period with iSterling, for Housing Quality Standard inspections, for an additional \$85,000 and a total not to exceed amount of \$283,000 through June 30, 2024.

The foregoing Resolution was adopted by the Board of the Berkeley Housing Authority on June 8, 2023 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Attest: _____

James E. Williams, Secretary