

RESOLUTION NO. _____

**APPROVAL OF CONTRACT AMENDMENT FOR
ANNUAL ENVIRONMENTAL ABATEMENT CONTRACTOR**

Item No. 5i

WHEREAS, funds have been received from the U.S. Department of Housing and Urban Development under the Capital Fund Program for the abatement of hazardous materials at Louisville Metro Housing Authority (LMHA) properties; and

WHEREAS, on January 9, 2018, LMHA staff, in accordance with LMHA procurement procedures, awarded a contract in the amount of \$500,000 to Abatement Solutions Technologies (AST) to provide the requisite services for an initial period of one year; and

WHEREAS, the contract awarded to AST included an option provision whereby LMHA may extend the contract for up to four additional years; and

WHEREAS, based on the contract utilization during the initial period and first renewal option of the contract, the second renewal option of the contract was implemented in January 9, 2020 in the amount of \$200,000 and it now requires an amendment for additional funding to accommodate specialized cleaning associated with the COVID-19 Pandemic, mold remediation and abatement of hazardous materials services; and

WHEREAS, AST and the LMHA agreed on a not to exceed amount of \$200,000 to perform the additional work.

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS, that the Executive Director and Contracting Officer, Lisa Osanka, is hereby authorized to approve an amendment to the contract with AST in a not to exceed amount of \$200,000 for additional funding required to complete additional services as needed.

RESOLUTION BACKGROUND STATEMENT

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Item No. 5i

I. STATEMENT OF FACTS:

The U.S. Department of Housing and Urban Development provided LMHA funding under the Capital Fund Program for abatement of hazardous materials at LMHA properties. On January 9, 2018, LMHA awarded the abatement environmental contract to AST. The original contract, based on an annual fee not to exceed \$500,000, included an option allowing LMHA to renew the contract four additional one-year terms.

The current contract, which will expire on January 8, 2021, needs to be amended to guarantee completion of specialized cleanings related to the COVID-19 Pandemic, mold remediations and abatement of hazardous materials as needed throughout all LMHA properties.

Staff has been pleased with the performance of AST. This firm performs all the work utilizing their own workforce and is in compliance with LMHA's MBE/ FBE and DBE Program. The annual contract has saved LMHA considerable time and expense of preparing and advertising a new contract. The amount expended from this contract in the past is as follows:

<u>Year</u>	<u>Amount Spent</u>
2018 (Original Contract)	\$ 33,835.36
2019 (1 st Renewal Option)	\$162,487.55
2020 (2nd Renewal Option)	\$175,387.76 (to date)

This amendment, in a not to exceed amount of \$200,000, will increase the contract to \$400,000 and it will allow LMHA to continue performing specialized cleanings related to the COVID-19 Pandemic, mold remediations and abatement of hazardous materials as the need arise. The costs associated with the COVID-19 Pandemic to date is approximately \$102,000 and it is expected to rise; since this is an eligible item under the CARES Act, LMHA expects to have the expenses associated with the COVID-19 specialized cleanings refunded through the CARES Act.

The LMHA Procurement Committee has sanctioned this contract amendment.

II. ALTERNATIVES:

- A. Amend the contract with AST in a not to exceed amount of \$200,000 to guarantee completion of all specialized cleanings related to the COVID-19 Pandemic, mold remediations and other abatement of hazardous materials throughout LMHA properties.
- B. Do not extend the contract with AST.

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Item No. 5j

III. RECOMMENDATION:

Staff recommends Alternative "A".

IV. JUSTIFICATION:

- LMHA requires the service of a licensed professional environmental hazard remediation for routine in-house work and to allow work under particular contracts to proceed in a timely manner.
- AST has provided timely and satisfactory environmental abatement services to LMHA. Many times, their rapid response time to mobilize to a site has been within 30 minutes of the initial request. This has been particularly important in dealing with the specialized cleanings related to the COVID-19 Pandemic; AST has consistently mobilized rapidly for these cleanings even after regular business hours.
- The costs associated with the COVID-19 Pandemic are approximately \$102,000 to date; since this is an eligible item under the CARES Act, specialized cleaning expenses associated with the COVID-19 Pandemic are expected to be refunded to LMHA.

V. BUDGET APPROVAL:

Funding for this project is provided from the Capital Fund Program.

Angela Larsson, Director of Finance

Date

VI. PROCUREMENT CERTIFICATION:

The procurement of this contract is in compliance with the Louisville Metro Housing Authority's procurement policies and procedures.

Steve Webb, Purchasing Agent

Date

Prepared and Submitted by: Norma A. Ward, Director
Capital Improvements Department
August 18, 2020