

Subject: Authorization for the Executive Director to enter into the Migrant Center 2017/2018 Fiscal Year Operation and Maintenance Contracts between the State of California Department of Housing and Community Development and the Housing Authority of the County of Stanislaus.

Background Information: The Housing Authority of the County of Stanislaus (Authority) currently has Operation and Maintenance Contracts for the Westley-Patterson and Empire-Westley Migrant Centers. The current “Standard Agreement” contracts expire on June 30, 2017. The Department of Housing and Community Development (Department), Office of Migrant Services (OMS) have made various changes to the “Standard Agreement” indicating that the changes were made to better align with the Department’s monitoring processes and the OMS Statute and Regulations. A summary of the changes is provided below:

Exhibit A, Paragraph 2(A-B): The department will require oversight and administration of rehabilitation projects.

Exhibit B, Paragraph 2(C): The Department will require signed time-sheets, reserve account and CARE account bank statements, rental income reports with copies of corresponding checks, and *itemized receipts* to accompany monthly requests for reimbursement (invoices).

At the end of each fiscal year, all remaining budget funds shall be deposited into an OMS reserve account not to exceed 10% of the operating funds annually committed to the Contractor by the Department, *and the difference shall be disencumbered.*

Exhibit B, Paragraph 2(D): In accordance with the State Contracting Manual (SCM) Volume 1, §7.32 “Advance Payments”, advance payments are only permissible when authorized by statute; and where the OMS statutes do not provide for such funding. Therefore the Contractor is not eligible to receive advance payments for the performance of this Agreement.

Exhibit D, Paragraph 2(A): All rental income and other amounts receivable in connection with the management and operation of the OMS Housing Center shall be remitted by the *20th* of every month via a check, *along with a copy of the corresponding Monthly Rental Income Report.*

Exhibit D, Paragraph 7(B): The Contractor shall notify the Department and provide a copy of any Ordinances or Notices to Comply received from any regulatory body, including utility providers serving the Housing Centers,

which will affect the operation of the Housing Centers, within five (5) days of receipt.

Exhibit D, Paragraph 7(C): No later than January 1st the Contractor shall provide the Department with an annual financial audit for the previous fiscal year, in accordance with generally accepted government auditing standards (GAGAS) and the requirements of the federal OMB Circular A-133.

Exhibit D, Paragraph 16(B) Insurance: The Contractor shall provide the Department with a current copy of the Certificate of Coverage upon every premium renewal.

As a result of Office of Migrant Services (OMS) Contractor concerns the Housing and Community Development department staff are revising the contract to address the concerns.

Recommended Action: Staff recommends that the Board of Commissioners authorize the Executive Director to execute the revised contracts; if after consultation by the General Counsel, it is in the best interest of the Authority.

Alternate Options:

Option 1: Approve the 2017/2018 Fiscal Year Operation and Maintenance Contracts between the State of California Department of Housing and Community Development (CDHCD) and the Housing Authority of the County of Stanislaus as originally presented.

Fiscal Impact:

Prepared by: Jim Kruse, Deputy Director

Funding Certification:

Linh Luong, Director of Finance

Approval:

Barbara Kauss, Executive Director