



Agenda Report

July 17, 2023

TO: Honorable Mayor and City Council

FROM: Public Health Department

SUBJECT: AUTHORIZATION TO AMEND CONTRACT NO. 31342 WITH HERITAGE CLINIC TO EXTEND THE TERM AND INCREASE THE TOTAL NOT-TO-EXCEED AMOUNT BY \$1,031,000 AND ISSUE SIX PURCHASE ORDERS TO EXTEND EXISTING SERVICES TOTALING \$406,000 FOR THE TRANSITIONAL AGE YOUTH (TAY) LINK AND GERIATRIC EMPOWERMENT MODEL (GEM) LINK PROGRAMS

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project; and
2. Authorize the City Manager to amend Contract No. 31342 with Heritage Clinic, Inc. to increase the not-to-exceed amount by \$1,031,000 from \$2,361,800 to a revised amount of \$3,392,800 and extend the term through December 31, 2024 for case management, housing navigation, and outreach services; and
3. Authorize the City Manager to issue purchase orders to extend existing services with the following organizations through June 30, 2024:
 - a. Ace Construction and Maintenance, Inc. for an additional amount not to exceed \$50,000 in Fiscal Year ("FY") 24 for a grand total of \$105,400 for facility maintenance and repair services; and
 - b. Acme Auto Leasing, LLC for an additional amount not to exceed \$25,000 in FY 2024 for a grand total of \$98,572 for vehicle leases; and
 - c. LivHome, Inc. (DBA Arosa) for an additional amount not to exceed \$96,000 in FY 2024 for a grand total of \$189,483 for homemaker services; and
 - d. Select Patrol Agency, Inc. for an additional amount not to exceed \$82,000 in FY 2024 for a grand total of \$337,527 for security services; and

- e. William Scotsman, Inc. for an additional amount not to exceed \$75,000 in FY 2024 for a grand total of \$140,445 for modular office trailer lease; and
4. Authorize the City Manager to issue a purchase order with Bethel Missionary Baptist Church, Inc. for an additional amount not to exceed \$78,000 in FY 2024 for a grand total of \$133,000 for leased office space and to grant an exemption for competitive bidding pursuant to City Charter section 1002 (E) (Contracts relating to the acquisition of real property); and
5. To the extent these actions could be considered separate procurements subject to the Competitive Selection Process, it is recommended that the City Council grant exemptions pursuant to P.M.C. Section 4.08.049 (B), contracts for which the City's best interests are served.

BACKGROUND:

In August 2018, the Los Angeles County Department of Mental Health ("DMH") awarded the City of Pasadena Public Health Department ("Department") a grant funded through the Proposition 63 Mental Health Services Act ("MHSA") to provide supportive services to people experiencing homelessness. With support from the grant, the Department established the Transitional Age Youth ("TAY") Link Program serving youth ages 18-24 and the Geriatric Empowerment Model ("GEM") Link Program serving seniors ages 60 and above. The programs provide intensive case management, housing navigation, and outreach for these respective age groups. In addition, the programs jointly provide basic needs support services to unhoused individuals of all ages. These services include shower access, laundry, food, clothing, and linkages to other community resources. The programs also strive to employ people with lived experiences to build relationships and address social isolation through outreach and special events.

The original term of the grant contract with DMH was for four years and scheduled to end on June 30, 2022, but in April 2022, the grant contract was extended through June 30, 2023. In October 2022, the TAY Link and GEM Link programs moved from the Jackie Robinson Community Center to a leased property located at 1872 N. Fair Oaks Avenue, where the programs remain in operation today. In June 2023, DMH offered the Department an additional grant contract extension increasing the amount by \$2,855,000 and extending the term for up to one additional year through June 30, 2024. DMH also informed the Department that they will release a new solicitation for a multi-year contract within the next six months.

To support GEM Link and TAY Link services, the Department opened a contract with Heritage Clinic, Inc. in 2018 and issued purchase orders with several vendors for related programmatic needs based on the original end date of the grant. Due to the extension of the grant last year and now the most recent extension, the cost of these services will exceed City Manager authority and require City Council approval.

The Department recommends amending the contract with Heritage Clinic to increase the overall value of the agreement and extending the term, as well as issuing six purchase orders to continue existing services necessary to operate the programs. DMH provided the Department less than 30 days notice about the offer to extend the grant, which made competitive bidding for the desired services not possible. If the Department is selected by DMH through the solicitation process for a new contract, the Department will complete the procurement process for the needed services.

Heritage Clinic, Inc.

In September 2018, the City Council approved an exemption to issue a contract with Heritage Clinic, Inc. to provide specialty case management, outreach/education, and housing navigation services for older adults experiencing homelessness. Through this partnership, Heritage Clinic has helped the GEM Link program develop and grow into a trusted resource for the unhoused community. In partnership with the Department, Heritage Clinic has provided case management services to over 350 participants and assisted 141 seniors to access housing. GEM Link services have seen an increase in demand since the program inception, with program caseloads increasing from 15 at the early stages to over 100 enrolled and active participants as of June 2023. Over time, Heritage Clinic increased the number of GEM Link case managers to meet the needs of the program. Heritage Clinic also provided housing assistance, client supports, and training and outreach to participants, Department staff, and community partners.

The Department recommends increasing Contract No. 31342 with Heritage Clinic by \$1,031,000 from \$2,361,800 to a revised amount of \$3,392,800 and extending the term through December 31, 2024. The term of the contract will end six months after the end of the GEM Link program to allow time to transition participants, close out cases, and complete required reports and invoices. The recommended contract amendment will ensure that GEM Link participants continue to receive case management and related services.

Purchase Orders

The Department recommends authorizing the City Manager to issue six purchase orders for the provision of various related services and supplies as follows:

Vendor	Initial Start Date	Approximate Expended through June 2023	Recommended FY 24 PO Amount	Projected Total Expenditures
Ace Construction and Maintenance, Inc.	August 2022	\$55,400	\$50,000	\$105,400
Acme Auto Leasing, LLC	January 2020	\$73,572	\$25,000	\$98,572
Bethel Missionary Baptist Church, Inc.	October 2022	\$55,000	\$78,000	\$133,000
LivHome, Inc. (DBA Arosa)	September 2021	\$93,483	\$96,000	\$189,483

Select Patrol Agency, Inc.	October 2019	\$255,527	\$82,000	\$337,527
William Scotsman, Inc.	October 2022	\$65,445	\$75,000	\$140,445

These vendors provide services and supplies needed for the success of the GEM Link and TAY Link programs including the following:

- **Ace Construction and Maintenance, Inc.** provides facility maintenance and repair services as needed to leased office spaces used by the programs, including the modular office trailer, located at 1872 N. Fair Oaks Avenue. In August 2022, the Department identified various electrical and other related needs to be addressed prior to program staff moving into the leased office spaces. The Public Works Department entered into a contract with Ace Construction and Maintenance, Inc. for services following a competitive bidding process in April 2022. The Department reviewed the results of the Public Works Department's bidding process (Attachment A) and selected Ace Construction and Maintenance, Inc based on the bid results.
- **Acme Auto Leasing, LLC** provides two vehicles for the programs which allow staff to transport clients to various medical, mental health, and housing related appointments, as well as to deliver critical supplies. Acme Auto Leasing was selected following a competitive bidding process conducted by the department in 2019 (Attachment B). The vehicle leases were scheduled to end at the end of the DMH grant. In light of the DMH grant extension, the Department recommends extending the existing leases on the vehicles.
- **Bethel Missionary Baptist Church, Inc.** is the property owner for 1872 N. Fair Oaks Avenue which is the leased site where the programs operate. The Department currently leases office space inside the church building, as well as the parking lot, where a modular ADA-compliant office trailer and a mobile shower and laundry unit are located. After an exhaustive property search, 1872 N. Fair Oaks Avenue was identified as a unique location suitable for the mobile shower and laundry unit. Therefore, it is recommended that the City Council grant an exemption to competitive bidding pursuant to City Charter section 1002 (E) (Contracts relating to the acquisition of real property).
- **LivHome, Inc. (DBA Arosa)** provides homemaker services, including laundry services, and cleaning and sanitizing the showers and common areas used by program participants. In March 2023, the City Council approved a purchase order through June 2023 with LivHome, Inc. as a result of a competitive bidding process conducted by the Department (Attachment C).
- **Select Patrol Agency, Inc.** provides security services at the program site, including patrolling program spaces and surrounding areas, ensuring participant compliance with program and site rules, and reporting concerns to management. In July 2019, the City Council approved a city-wide contract with Select Patrol as a result of a competitive bidding process conducted by the Public Works Department (Attachment D). The need for security for the GEM and TAY Link programs arose after Public Works finalized the city-wide contract. The

Department plans to add the needed security services to the scope of work for the city-wide contract during the next competitive bidding process.

- **William Scotsman, Inc.** provides a prefabricated modular office trailer at 1872 N. Fair Oaks Avenue. The modular office trailer provides workstations for ten staff and contractors and is ADA-compliant, ensuring access for individuals with physical disabilities. The Pasadena Fire Department (“PFD”) entered into leases with William Scotsman, Inc. for modular office trailers a result of a competitive bidding process (Attachment E). When the need for modular office space arose in October 2022, program staff reviewed the results of the PFD procurement process and requested quotes for services. Of the quotes received, William Scotsman, Inc. was the lowest cost.

The recommended contract amendment and purchase orders will ensure that program participants continue to have access to safe and clean services through the GEM Link and TAY Link Programs. Without the various services and supplies provided by these vendors, the safety of staff and program participants would be negatively impacted and availability across all services would be significantly reduced, including showers, laundry, case management and housing navigation. Therefore, it is in the City’s best interest to continue these services to prevent program service disruption.

COUNCIL POLICY CONSIDERATION:

The proposed contract amendment aligns with the City Council’s strategic plan goal to ensure public safety.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. CEQA Guidelines Section 15060(c)(2) states that an activity is not subject to CEQA if “The activity will not result in a direct or reasonably foreseeable indirect physical change in the environment.” The proposed action consists of a contract and appropriation of funds to provide supportive services to people experiencing homelessness. No direct or reasonably foreseeable indirect physical change in the environment would result. Under this definition, the proposed activity is not a CEQA “Project” and is, therefore, also not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3).

FISCAL IMPACT:

If approved, Contract No. 31342 with Heritage Clinic, Inc. will be amended to increase the not-to-exceed amount by \$1,031,000 from \$2,361,800 to a revised amount of \$3,392,800 and the term will be extended through December 31, 2024. In addition, purchase orders will be issued to six vendors for a total overall value of \$406,000 through June 30, 2024. These expenses are consistent with the grant contract requirements and are eligible for reimbursement by DMH. City Council approved appropriations in the Pasadena Public Health Department FY24 Operating Budget for the TAY Link and GEM Link programs. There are no anticipated impacts to other programs or the General Fund as a result of this action.

Respectfully submitted,



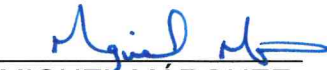
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MIGUEL MÁRQUEZ
City Manager

- Attachment A: Ace Construction Bid Summary
- Attachment B: Acme Auto Leasing Bid Summary
- Attachment C: LivHome, Inc Bid Summary
- Attachment D: Select Patrol Bid Summary
- Attachment E: William Scotsman Bid Summary