

RESOLUTION NO. _____

**APPROVAL TO RENEW CONSTRUCTION CONTRACT FOR
ENVIRONMENTAL HAZARD ABATEMENT**

Item No. 5

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

WHEREAS, LMHA staff, in accordance with LMHA procurement procedures, awarded a construction contract to Abatement Solutions Technologies (AST) to provide as-needed abatement of hazardous materials services for a period of one year; and

WHEREAS, the construction contract awarded to AST included an option provision whereby LMHA may renew the contract up to four additional years.

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 exercise the fourth and final option to renew the construction contract with AST for the abatement of hazardous materials at Louisville Metro Housing Authority (LMHA) properties with an annual fee not to exceed \$300,000.

RESOLUTION BACKGROUND STATEMENT

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I. STATEMENT OF FACTS:

The Louisville Metro Housing Authority periodically requires the services of an environmental contractor to abate hazardous materials from LMHA properties.

In 2017, LMHA awarded the Construction Contract for Environmental Hazard Abatement to AST. The contract, based on an annual fee not to exceed \$500,000.00, included an option allowing LMHA to renew the contract for additional one-year terms. The contract will expire unless LMHA exercises the fourth and final option to renew.

Staff has been pleased with the performance of AST. LMHA now has the opportunity to renew the contract for another year. The amount expended from this contract in the past is as follows:

<u>Year</u>	<u>Amount Spent</u>	
2018	\$ 33,835.36	(Original Contract)
2019	\$146,992.61	(1 st Renewal Option)
2020	\$296,061.25	(2 nd Renewal Option)
2021	\$252,356.98	(3 rd Renewal Option to date)

Exercising the option will also save LMHA the considerable time and expense of preparing and advertising a new contract. Although the original contract amount was for a fee not to exceed \$500,000, due to the actual contract amounts previously utilized, we are recommending renewing the contract with a fee not to exceed \$300,000. The LMHA Procurement Committee (LaTasha Kilgore, Phil Reidinger, Keith McCarthy and Norma Ward) has sanctioned this renewal.

II. ALTERNATIVES

- Renew the contract with AST one additional year by exercising the fourth and final renewal option.
- Do not renew the contract with AST.

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III. RECOMMENDATION

Staff recommends Alternative "A".

IV. JUSTIFICATION:

- LMHA requires the services of a licensed professional for environmental hazard remediation for routine in-house work and to allow work under particular contracts to proceed in a timely fashion.
- AST has provided timely and satisfactory environmental abatement services to LMHA. Many times, their rapid response to mobilize to a site has been within 30 minutes of the initial request.
- With the annual contract, LMHA has been able to secure quality services at consistent and competitive prices; the fees from AST have been reviewed by staff and found to be reasonable and acceptable.
- This service is critical in order to be able to provide timely professional cleanings in all of our facilities during the duration of the COVID-19 Pandemic.
- LMHA can enjoy the full benefit of the option clause by executing a simple one-year contract renewal.
- Staff completed the Contract Renewal Evaluation form. This vendor received an overall rating of Above Average (Above Average/Average/Below Average).

V. BUDGET APPROVAL:

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

Angela Larsson, Director of Finance

Date

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VI. PROCUREMENT CERTIFICATION:

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

Steven Webb, Purchasing Agent

Date

Prepared and Submitted by: Norma Asyn Ward, Director
Capital Improvements
December 21, 2021