



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-4-17 (2)

DATE: April 17, 2013
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: Increase in Contract Amount for Emergency Mitigation Services

Background

The THA Board of Commissioners approved Resolution 2012-12-19 (6) allowing the Executive Director to execute a contract with Rainbow International to provide Emergency Mitigation services that included Hazardous Materials (lead based paint, mold and asbestos), Bio-Hazardous Materials cleanup (unattended death and trauma), Drugs (meth) and Smoke Water and Fire cleanup (from fire, damage, water leaks and breaks) in the amount of \$250,000. This resolution would allow me to authorize work up to \$1.2 million.

We did not know at the time how much of this work we would need. When we signed the contract, THA had about 25 units that tested positive for methamphetamines and required decontamination. Since then our number has increased to 66 contaminated units. We have further systematized our procedures in ways that had lead to this increase and allows us to anticipate the further work of this sort we will need and its cost: (1) we test all units upon move out and suspicious activity; (2) we train and certify staff to perform the pre-sampling to reduce the time and cost of this part of the process; (3) we have developed a meth database to keep track and follow a unit through the process it tests positive for methamphetamine; (4) we work with the insurance adjustor to develop the scope of work the unit requires; and (5) we have the contractor return the unit to occupancy status when it is finished with the remediation and rebuilding of the unit.

We judge that this work may cost up to \$1.2 million though this year. To date, for half the contaminated units, THA has received invoices for a total of \$438,658.67. Most of that is currently insured. Most of the additional work on current units will also be insured, although our insurance pool is curbing coverage prospectively for future claims (\$10,000 deductible per claim and a 30% co-insurance payment for amounts above \$10,000).

THA is reviewing the current charges and intends to renegotiate some of the terms of the contract to reduce costs.

This resolution will authorize the Executive Director to sign contract amendments to increase the value of the contract up to \$1,200,000 in order to cover costs incurred through the end of the year. This will help ensure that this work does not slow down.

The money for this contract would be covered in the 2013 agency budget with a portion of the expenses reimbursed through insurance claims. Due to insurance coverage changes, any additional THA costs above current budget will be addressed in the mid-year budget revision.

Recommendation

I recommend approving Resolution 2013-4-17(2) authorizing me to execute an amendment to the contract with Rainbow International, increasing its value up to \$1,200,000 for the purpose of providing emergency mitigation services to all of THA properties.



TACOMA HOUSING AUTHORITY

RESOLUTION 2013-4-17 (2)

Increase in Contract Amount For Emergency Mitigation Services

WHEREAS, Tacoma Housing Authority (THA) signed a contract with Rainbow International for Emergency Mitigation Services to provide Emergency Mitigation services that included Hazardous Materials (lead based paint, mold and asbestos), Bio-Hazardous Materials cleanup (unattended death and trauma), Drugs (meth) and Smoke Water and Fire cleanup (from fire, damage, water leaks and breaks).

WHEREAS, the contract amount needs to be increased from \$250,000 to \$1,200,000 to account for the additional work of this sort THA requires;

WHEREAS, the contract amount exceeds the \$100,000 spending limit for the Executive Director.

Resolved by the Board of Commissioners of the Housing Authority of the City Of Tacoma, Washington, that:

1. The executive director is authorized and directed as necessary from time to time to execute contract revision(s) with Rainbow International up to \$1,200,000 for the purpose of providing emergency mitigation services to all of THA properties.

Approved: April 17, 2013



Janis Flauding, Chair