



Pinellas County

Staff Report

File #: 22-0636A, Version: 1

Subject:

Award of contract to Witt O'Brien's LLC for the Emergency Rental Assistance Program Administration and rescind award with Tetra Tech, Inc.

Recommended Action:

Award of contract to Witt O'Brien's LLC for the Emergency Rental Assistance Program Administration and rescind award with Tetra Tech, Inc.

- This contract provides the County with a new primary program administrator for Emergency Rental Assistance to provide emergency direct financial assistance, including rent, rental arrears, utilities and home energy costs, utilities, and home energy costs arrears, and other expenses related to housing (as defined by the Treasury Secretary).
- Tetra Tech, Inc. was originally awarded the contract on March 12, 2021 by the County Administrator under Resolution No. 21-8 in the amount of \$1,928,539.69 through December 31, 2021.
- The contract with Tetra Tech, Inc. was amended by the Board of County Commissioners on November 10, 2021, to revise the total not to exceed payment amount of the contract to \$3,483,774.20 through September 30, 2022. The amount was based on the full ERA1 grant amount of \$21,428,218.80 and 75% of the ERA2 grant amount \$18,296,876.55.
- Due to Tetra Tech, Inc. not delivering services according to the performance metrics of the agreement and failing to sustain an acceptable error rate for processing applications, the original award of contract is requested to be rescinded instead of amended for the remaining ERA2 funding.
- An award of contract to Witt O'Brien's is necessary to complete an ongoing task that was originally competitively solicited. The contract is unable to be resolicited due to time constraints associated with the urgent need to continue rental assistance services.
- Witt O'Brien's LLC was the second highest ranked firm submitting a proposal for the competitive Letter of Interest released February 5, 2021. This firm provides identical services for several other state agencies and is highly qualified to perform services on a superior level and has verified that staffing capacity is available to immediately implement the County program.
- Award of contract and execution of agreement with Witt O'Brien's, LLC for the Emergency Rental Assistance Program Administration. The total Agreement amount is not to exceed \$551,100.00. This amount is based on expending the balance of the ERA2 grant funds available for rental assistance \$5,012,311.19.
- The County may be eligible to request additional ERA2 reallocated funds based on pending Treasury Department guidelines. If additional funds are provided additional contractual services will be required.

Contract No. 21-0271-B in the amount of \$551,100.00, effective for twelve-months; Authorize the Chairman to sign and the Clerk of the Circuit Court to attest.

Strategic Plan:

2.1 Provide planning, coordination, prevention, and protective services to ensure safe and secure community.

2.3 Be a facilitator, convener, and purchaser of services for those in need

2.4 Support programs that seek to prevent and remedy the causes of homelessness and move individuals and families from homelessness to permanent housing

Foster Continual Economic Growth and Vitality

4.2 Invest in communities that need the most

5.2 Be responsible stewards of the public's resources

Summary:

Due to contract non-performance issues with Tetra Tech Inc, the original award of contract is being rescinded.

The award of contract and execution of agreement with Witt O'Brien's, LLC for Emergency Rental Assistance Program Administration includes applicant service and support, applicant portal management, record keeping, initial screening, eligibility verification, and recommendation of approvals and denials.

Following the release of a competitive Letter of Interest, five (5) proposals were received.

Witt O'Brien's was selected as the second highest ranked firm to provide services.

Background Information:

On December 27, 2020, the Consolidated Appropriations Act, 2021, was enacted to, among other things, provide emergency rental assistance to households impacted by COVID-19. The Emergency Rental Assistance program makes available \$25 billion to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic. The funds are provided directly to states, U.S. Territories, local governments, and Indian tribes. Local governments with more than 200,000 residents were eligible to receive direct payments. Pinellas County and the City of St. Petersburg were eligible and accepted award terms. Grantees must use the funds to provide assistance to eligible households through existing or newly created rental assistance programs.

An "eligible household" is defined as a renter household in which at least one or more individuals meets the following criteria:

(1) Qualifies for unemployment or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19; Demonstrates a risk of experiencing homelessness or housing instability; and Has a household income at or below 80 percent of the area median.

(2) Rental assistance provided to an eligible household should not be duplicative of any other federally funded rental assistance provided to such household.

(3) Eligible households that include an individual who has been unemployed for the 90 days prior to application for assistance and households with income at or below 50 percent of the area median are to be prioritized for assistance.

On January 26, 2021, the Board of County Commissioners unanimously adopted Resolution 21-8 to provide financial assistance to eligible households.

On March 12, 2021, Tetra Tech, Inc. was originally awarded this contract by the County Administrator under Resolution No. 21-8 in the amount of \$1,928,539.69.

As part of the contract with Tetra Tech, Inc. to administer the Emergency Rental Assistance Program the following performance standards were established and part of the contract:

- Contractor will target 100% of completion of tenant and landlord applications initial review within seven (7) calendar days from submission date and will not exceed a maximum of 14 calendar days from submission date.
- Contractor will submit a minimum of 125 applications per week to the County while maintaining an error rate of 5% or less.
- Contractor will review and work files in pending landlord information or pending tenant information within 5 calendar days following response to request for information from applicant or tenant.

Each of the monthly invoices submitted were adjusted to reflect the penalties for the above metrics not being met for each month since inception of the Program. Also, per the policies and procedures, once the vendor reached an acceptable error rate, a sampling of 10% of the files would be reviewed by the County. As of this date, the error rate is an unacceptable rate that typically exceeds 40%; therefore, the County continues to review 100% of the files submitted by the vendor.

A joint meeting was held January 19, 2022, to discuss the performance concerns with the Tetra Tech project managers, followed by additional meetings on 2/8, 2/11, and 2/14. Since those meetings vendor performance by Tetra Tech for ERAP administration services has significantly declined as demonstrated with the volume of cases reviewed and submitted to the County. The quality as measured by completeness and accuracy remains low. As a result of the low volume, staff followed up in writing about these issues and took the necessary steps to pull files from the vendor for in-house review and processing to ensure timely payments to Landlords.

Fiscal Impact:

On January 26, 2021, the Board adopted Resolution No. 21-8 to approve the Consolidated Appropriations Act 2021 program framework including funding in the amount of \$21,428,218.80.

Estimated Expenditure not to exceed: \$551,100.00

Funding is Derived from the Consolidated Appropriations Act, 2021.

Funding of the \$551,100 is included in the FY22 Adopted budget.

Staff Member Responsible:

Carol Stricklin, Director, Housing and Community Development
Merry Celeste, Division Director, Purchasing & Risk, Administrative Services
Joe Lauro, Director, Administrative Services

Partners:

N/A

Attachments:

Services Agreement
Official Firm Rankings