

Public Works
STAFF REPORT



SUBJECT: 2021 TxCDBG – Community Development Program
MEETING: City Council Meeting - 05 Jan 2021
DEPARTMENT: Public Works
STAFF CONTACT: Nick Williams

RECOMMENDATION:

Staff recommends award of a contract to Public Management, Inc. for the grant administration services for the 2021-2022 TxCDBG – Community Development Program application.

BACKGROUND:

- Program:

Every year, the US Department of Housing and Urban Development provides federal Community Development Block Grant funds directly to states, which, in turn, provide the funds to small, rural cities with populations less than 50,000, and to counties that have a non-metropolitan population under 200,000 and are not eligible for direct funding from HUD. These small communities are called "non-entitlement" areas because they must apply for CDBG dollars through the Texas CDBG program. Larger cities, such as Dallas, Houston and others, receive CDBG monies directly from HUD, and are called "entitlement" areas. The Texas Department of Agriculture administers the program in Texas.

For the Community Development Fund, a community must meet the Low/Moderate Income National Program Objective as per the Texas Administrative Code. The project must meet all requirements to document one of the following for each activity:

- LMI Area Benefit,
- LMI Housing Benefit, or
- LMI Limited Clientele benefit (requires TDA approval prior to passage of the local resolution).

Program award amounts range from \$75,000 to \$350,000 and the application deadline is May 3, 2021.

PROJECT:

TxCDBG monies are only available for all types of public projects including, but not limited to water/sewer, street, and drainage improvements, as well as sidewalks. The last CDBG project addressed the undersized water lines in the neighborhood of Lennox, Dodge, and Fairfax.

FISCAL IMPACT SUMMARY:

The cost of administration services is paid as part of the grant funds and only if a grant is awarded.

The grant program maximum award is \$350,000. Twenty percent (20%) in grant matching provides the most competitive application. For a possible maximum grant award of \$350,000, the required city match would be \$70,000. The matching funds may be allocated from the city's street maintenance budget and/or enterprise funds depending upon the project scope submitted.

REQUESTS FOR PROPOSALS:

Requests for Proposals were sent to three pre-qualified grant administration firms on December 14, 2020. Two proposal were received from Gary Traylor and Associates and Public Management, Inc. The proposals were evaluated and ranked based on specific weighted criteria, including experience, prior work performance, capacity to perform, as well as cost.

The review committee ranked each proposal independently and the results were averaged to compile impartial rankings.

Although both submittals were from capable firms, the submittal by Public Management, Inc. ranked the highest due the firm's demonstrated experience with the city. A copy of the ranking sheet is attached to this memorandum.

AGREEMENT:

The proposed agreement for services states, “For work associated to the Texas Community Development Block Grant Program (TxCDBG) and in consideration of the foregoing, Client agrees to pay Consultant a fee not to exceed ZERO DOLLARS (\$0.00) for Application Preparation Services.”

The proposal also states that any payment to Public Management will be contingent upon funding award and further, that in the event that grant funds are not awarded, the agreement will be terminated.

TIMELINE:

The request for contract award is being requested at the public meeting in order to meet the 90-day requirement for a public hearing on the project. A public hearing is part of the scoring process and Stephenville will need all eligible points to have a competitive application. The purpose of the public hearing is to allow for discussion of possible projects. Due to the short notice, staff recommends also discussing possible projects at a Public Works Committee Meeting in January.

1. January 5, 2021 -
 - a. Conduct Public Hearing to allow for the discussion of project priorities.
 - i. Any feedback will be used to create the project scope.
 1. Review project at upcoming Public Works Committee January 19, 2021
 - b. Award No Risk Contract to Grant Administrator
2. February – March
 - a. Identify Application Engineer
3. March – April
 - a. Present Local Resolution to Authorize Submission of Application
 - i. Resolution includes the project description and commitment of any matching funds and must be passed after conducting the public hearing
4. May 3, 2021
 - a. Finalize and Submit Application

ADVANTAGES:

Awarding the administration services provides the best probability for a project to be completed within TDA parameters.

DISADVANTAGES:

There are no known disadvantages to directing staff to negotiate a proposal with the highest ranked firm for review by the committee and council.

ATTACHMENTS:

[2021_01-05 TxCDBG Admin Ranking – Community Development Program](#)

[2021_01-05 TxCDBG Admin Services Proposal – PMI – Community Development Program](#)