

**INDIAN RIVER COUNTY, FLORIDA**

**MEMORANDUM**

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**TO:** Jason E. Brown, County Administrator

**THROUGH:** Stan Boling, AICP  
Community Development Director

**FROM:** Sasan Rohani, AICP  
Chief, Long-Range Planning

**DATE:** February 12, 2018

**Project:** Request for Extending Housing Inspection Services Agreements with Current Inspection Services Providers

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It is requested that the following information be given formal consideration by the Board of County Commissioners at its regular meeting of March 6, 2018.

**BACKGROUND**

Indian River County manages several different affordable housing programs. One major component of those programs is rehabilitation of existing housing units. For each major home rehabilitation project, there is a need for work write-ups and housing inspection services to ensure that bids submitted by contractors for rehabilitation work are necessary, adequately scoped, and reasonably priced.

At various times in the past, the county has conducted a Request for Qualifications (RFQ) process and qualified multiple inspection service firms. The county issued RFQs in 2012, 2014, and 2016. Currently, only two housing inspection firms are on the county housing inspection services list and receiving notices to bid on the SHIP rehabilitation jobs. One of those firms is actually bidding on most of the housing inspection jobs. Both firms have provided good service and there is now a need to extend the inspection services agreement between the county and the two firms.

**ANALYSIS:**

- **Housing Rehabilitation Program**

The State Housing Initiatives Partnership (SHIP) Program assists income eligible households with housing rehabilitation projects. Through the SHIP program, the county assists with emergency rehabilitation such as replacing a failed septic tank, minor rehabilitation such as roof replacement, and major rehabilitation projects which require work write-ups from a

housing inspector. Currently, the SHIP Program handles 15-20 major rehabilitation projects per year. For major rehabilitation projects, a housing inspector is needed to inspect the house, determine the rehabilitation work activities needed to bring the house up to current building code, produce a work write-up, and perform follow-up duties to oversee work performed by the rehabilitation contractor.

Prior to 2012, the county used Building Division inspectors to perform rehabilitation project inspection services. For some time, Building Division inspectors performed rehabilitation inspections, with the housing program reimbursing the Building Division for the inspectors' time. Later, when building activity declined during the recession and the county's housing rehabilitation activity increased, one of the Building Division inspectors was assigned to rehabilitation inspection duties full time.

In 2012, however, the situation changed. With the reduction of SHIP funding at that time, it was no longer feasible to have a full time staff rehabilitation inspector. At the same time, staff changes in the Building Division made it necessary for the full time rehabilitation inspector to resume normal Building Division duties. For those reasons, in 2012 the county issued an RFQ to solicit the services of, and qualify several building inspection firms to perform inspection services for SHIP. Consequently, the county has a list of approved qualified inspectors, and from that list staff requests inspection service price quotes for each major rehabilitation project. The inspection firm with the lowest quote is then chosen to perform housing inspection services for the project.

In response to the 2012 RFQ, the county received and subsequently approved four qualified inspection firms. However, after a short period of time, only one of the approved firms was bidding on the housing inspection services. In response to that single bidder situation, in 2014, the county issued another RFQ. A new firm responded to that RFQ and was approved by the Board of County Commissioners to be added to the list of qualified bidders. The county issued another RFQ in 2016 in an attempt to expand the list; however, no inspection firms responded to that RFQ. Currently, there are only two firms that are approved and permitted to bid on the housing inspection jobs. They are:

- My Licensed Roofer, LLC (McAlhany Construction, LLC)
- Guardian Community Resource Management, Inc.

Currently, out of those two firms, Guardian CRM, Inc. is the only firm actually bidding on most of the county jobs. Both firms adequately perform necessary inspection services.

Both firms have already signed housing inspection services agreements with the county. The My Licensed Roofer, LLC (McAlhany Construction, LLC) agreement was signed on March 13, 2012 and is now set to expire on March 13, 2019. The Guardian Community Resource Management, Inc. agreement was signed on June 10, 2014 and will expire on June 10, 2019. At this point, staff would like to extend both housing inspection agreements until 2024.

**FUNDING**

The cost of the referenced inspection services is paid with SHIP funds. No additional funding is needed to conduct the RFQ process.

**RECOMMENDATION:**

Staff recommends that the Board of County Commissioners extend the housing inspection agreements with McAlhany Construction, LLC, and Guardian Community Resource Management, Inc. with an expiration date of June 10, 2024.

**ATTACHMENT:**

1. Copy of Continuation of Inspection Services Agreement with McAlhany Construction, LLC
2. Copy of Continuation of Inspection Services Agreement with Guardian Community Resource Management, Inc.