



SAN DIEGO
HOUSING
COMMISSION

EXECUTIVE SUMMARY

DATE ISSUED: December 22, 2011 **REPORT NO:** HCR12-001

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of January 20, 2012

SUBJECT: Award of Contract for Sound Attenuation and Energy Efficiency Upgrades at Maya Apartments

COUNCIL DISTRICT: 5

SUMMARY:

The San Diego Housing Commission ("Housing Commission") FY12 budget provided for the work of this project at the Maya Apartments, a Housing Commission-owned property located at 10101 – 10191 Maya Linda Rd, which consists of 132 dwelling units.

The project scope of work is intended to:

- Reduce the increased noise levels generated by automobile traffic on the recently expanded Interstate-15 located at the east property line of this project,
- Improve energy efficiency through the installation of new sound-dampening and insulated doors and low-E/sound rated windows,
- Provide new energy efficient and sound dampening heating, ventilation and cooling systems in 28 of the most noise impacted units,
- Paint all building exteriors.

STAFF RECOMMENDATION:

- 1) Recommend that the Housing Commission approve the award of a construction contract to Stronghold Engineering in the amount of \$2,291,027 for Sound Attenuation and Energy Efficiency Upgrades at Maya Apartments.
- 2) Following final approvals of the contract award by the Housing Commission, authorize the President & Chief Executive Officer, or designee, to execute the contract (Attachment), in a form approved by General Counsel, and all necessary documents, and to expend up to ten percent contingency (\$229,103) if necessary, for items not anticipated in the original scope of work.

FISCAL CONSIDERATIONS:

Funding for this contract is contained in the FY12 Housing Commission budget previously approved by the Housing Commission and Housing Authority of the City of San Diego, respectively, on March 18, 2011, and June 27, 2011.

REPORT CONTACT: Dan P. Turpin (619) 578-7481



REPORT

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COUNCIL DISTRICT: 5

REQUESTED ACTION:

Approval of San Diego Housing Commission ("Housing Commission") contract with Stronghold Engineering, Inc.

STAFF RECOMMENDATION:

- 1) Recommend that the Housing Commission approve the award of a construction contract to Stronghold Engineering in the amount of \$2,291,027 for Sound Attenuation and Energy Efficiency Upgrades at Maya Apartments, a Housing Commission-owned property.
- 2) Following final approvals of the contract award by the Housing Commission, authorize the President & Chief Executive Officer, or designee, to execute the contract (Attachment), in a form approved by General Counsel, and all necessary documents, and to expend up to ten percent contingency (\$229,103) if necessary, for items not anticipated in the original scope of work.

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FISCAL CONSIDERATIONS:

Funding for this contract is contained in the FY12 Housing Commission budget previously approved by the Housing Commission and Housing Authority of the City of San Diego, respectively, on March 18, 2011, and June 27, 2011.

EQUAL OPPORTUNITY AND CONTRACTING INFORMATION:

Stronghold Engineering, Inc. is a certified Minority/Women-Owned Business Enterprise. A Certificate of Compliance and a Workforce Analysis has been provided and shows that this vendor is in compliance with the San Diego Housing Commission Equal Opportunity Program, Federal, State and Local laws. Information on the Workforce Analysis indicates that 49 percent of the company's workforce is disadvantaged.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On September 2, 2011, an Invitation for Bids ("IFB") was issued for this work. Bid advertisements were placed in the *San Diego Daily Transcript*, *San Diego Union Tribune*, *Voice and Viewpoint* and *La Prensa*. The IFB was posted in the Onvia Demandstar system where 201 notifications were sent as outreach to general contractors, forty-one of which were small and minority/women-owned businesses.

On September 16, 2011, a pre-bid conference was conducted with five contractors in attendance. During the bid period, bid packages were downloaded by thirty-five plan holders and provided to a total of eleven plan rooms.

At bid closing on December 21, 2011, two bids were received. Information on the submitted bids is outlined below:

Bidder	Amount	Additive Alternate	Responsive Bidder	DBE
Stronghold Engineering	\$2,291,027.00	\$130,200.00 ¹ \$116,500.00 ²	Yes	Yes
Sun Country Builders	\$2,605,316.21	\$ 69,488.94 ¹ \$ 61,518.53 ²	Yes	No

Immediately following the bid opening, bids were evaluated for responsiveness by the Housing Commission Procurement department. The bid submitted by Stronghold Engineering was found to be responsive and within an acceptable range of the pre-determined in-house project valuation of \$2,052,006.

ENVIRONMENTAL REVIEW:

This activity is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 (existing facilities) of the State CEQA Guidelines. Processing under the National Environmental Policy Act is not required since no federal funds are involved in this action.

Respectfully submitted,



Dan P. Turpin
Director, Construction Services
Real Estate Department

Approved by,



Deborah N. Ruane
Senior Vice President
Real Estate Department

Attachment: Contract

SAN DIEGO HOUSING COMMISSION
AGREEMENT FOR
SOUND ATTENUATION & ENERGY EFFICIENCY UPGRADES AT MAYA
WITH
STRONGHOLD ENGINEERING INC.

Contract No. CI-12-04

THIS AGREEMENT (the "Contract"), entered into the ____ day of _____ 2012,

between the Commission:

SAN DIEGO HOUSING COMMISSION
1122 Broadway, Suite 300
San Diego, California 92101
(619) 231-9400

and the Contractor:

STRONGHOLD ENGINEERING INC.
2000 Market Street
Riverside, CA 92501
Tel: (951) 684-9303

WITNESSETH, that the Contractor and the Commission for the consideration stated herein mutually agree as follows:

ARTICLE 1. Statement of Work: The Contractor shall furnish all labor, material, equipment and services, and perform and complete all work required for interior and exterior sound attenuation and energy efficiency upgrades at the multifamily residential rental development known as Maya, located at 10101-10191 Maya Linda Road, San Diego, California, 92126, in strict accordance with the Specifications dated September 2, 2011, Addendum number (1) dated September 22, 2011, Addendum number (2) dated September 30, 2011, Addendum number (3) dated October 14, 2011, Addendum number (4) dated October 18, 2011, Addendum number (5) dated October 20, 2011, Addendum number (6) dated October 28, 2011, Addendum number (7) dated November 29, 2011, and Addendum number (8) dated December 14, 2011. Specifications are incorporated herein by reference and made a part hereof.

ARTICLE 2. The Contract Price: The Commission shall pay the Contractor for all performance of the Contract, in current funds, subject to additions and deductions as provided in the Specifications, the sum of TWO MILLION TWO HUNDRED NINETY ONE THOUSAND TWENTY SEVEN Dollars (\$2,291,027.00).

ARTICLE 3. Indemnity: Subject to only the limitations of the applicable statutes of limitations as contained within applicable State and Federal law, Contractor agrees to save, indemnify and keep

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harmless the Commission, the City of San Diego (the "City"), and the Housing Authority of the City of San Diego (the "Housing Authority"), all commissioners, officers, employees, council members and agents of each public agency, and each of them (hereinafter collectively referred to as Indemnatee), against any and all liability, claims, fines, penalties, judgments, complaints, causes of action, actions, or demands, including demands arising from injuries to or death of persons (Contractor's employees included) and damage to property, or any other loss, damage or expense, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Contractor including those in part due to the negligence of Indemnatee save and except liability, claims, judgments or demands arising through the sole negligence or sole willful misconduct of Indemnatee or resulting from defects in design furnished by Indemnatee and Contractor will, if requested by Indemnatee, defend any such suits against the Commission, the City/and or the Housing Authority, at the sole cost and expense of Contractor, with counsel of Indemnatee's choosing. This defense and indemnity provision shall not be interpreted as an agreement allowing the prevailing party in litigation concerning this Contract to receive attorneys' fees. Further, therefore, the provisions of Civil Code Section 1717 shall not be applicable to this Contract.

ARTICLE 4. Governing Law: This Contract and the obligations of the parties hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of California.

ARTICLE 5. Entire Agreement: This Contract contains the entire agreement between the parties. No variations, modifications, or changes hereto shall be binding upon any party hereto unless set forth in a document duly executed by or on behalf of such party. All prior negotiations, representations and/or agreements between the parties relative to the subject matters hereof shall be superseded hereby and of no further force and effect.

ARTICLE 6. Waiver: No consent or waiver, expressed or implied by either party to or of any breach or default by the other in the performance by the other of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of such other party hereunder. Failure on the part of either party to complain of any such act of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

ARTICLE 7. Severability: If any provision of this Contract or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Contract and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforceable to the greatest extent permitted by law.

ARTICLE 8. Terminology: All personal pronouns used in this Contract, whether used in the masculine, feminine, or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles of paragraphs are for convenience only, and neither limits nor amplifies the provisions of the Contract itself, and all references herein to paragraphs thereof are to this Contract unless specific reference is made to such paragraphs of another document or instrument.

ARTICLE 9. Binding Agreement: Subject to any restrictions on the assignment of this Contract or rights thereto, this Contract shall inure to the benefit of and be binding upon Commission and Contractor and their respective successors, assigns or transferees.

ARTICLE 10. Procedure for Resolving Disputes: In the event of a dispute concerning this Contract, the same shall be resolved in San Diego Superior Court, Downtown Branch.

ARTICLE 11. Time is of the Essence: Time is of the essence in this Contract, as per the schedule submitted by Contractor and agreed upon by Commission.

ARTICLE 12. Liquidated Damages: As actual damages for any delay in completion are impossible to determine, the Contractor and his sureties shall be liable for and shall pay to the Commission monies in accordance with Clause 33 of General Conditions and the Special Conditions at pages 138 and 145 as fixed, agreed and liquidated damages for each calendar day of delay until the work is completed and accepted by the Commission.

ARTICLE 13. Contract Documents: This Contract shall consist of the following component parts:

- a. This Instrument
- b. General Conditions
- c. Special Conditions
- d. Prevailing Wage Scales
- e. Technical Specifications
- f. Drawings
- g. Addenda to the Specifications and/or Drawings

This instrument, together with the other documents enumerated in Article 13, form the Contract and are as fully a part of the Contract as if hereto attached or herein repeated. The various provisions in Addenda shall be construed in the order of preference of the component part of the Contract which each modifies.

ARTICLE 14. Drug-Free Workplace: Contractor shall certify to the Commission that it will provide a drug-free workplace and do each of the following:

A. Publish a statement notifying its employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance as defined in schedules I-V of Section 202 of the Controlled Substance Act (21 U.S.C. 812) is prohibited in Contractor's workplace and specify the actions that will be taken against employees for violation of the prohibition.

B. Establish a drug-free awareness program to inform employees about all of the following:

- 1) The dangers of drug abuse in the workplace.
- 2) The Contractor's policy of maintaining a drug-free workplace.
- 3) Any available drug counseling, rehabilitation and employee assistance programs.

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4) The penalties that may be imposed upon employees for drug abuse violations.

C. Post the statement required by subdivision A in a prominent place at Contractor's main office and at any job site large enough to necessitate an on-site office.

ARTICLE 15. Equal Opportunity Programs: During the performance of this Contract, the Contractor agrees as follows:

A. Contractor shall comply with all applicable Equal Opportunity Programs as described in the applicable State and Federal law. Contractor shall submit such forms and information as shall be requested by the Commission from time to time to verify the Contractor's compliance with applicable law.

B. Certificate of Compliance (attached) with Title VII of the Civil Rights Act of 1964, as amended, the California Fair Employment Practices Act, and any other applicable federal and state law and regulations hereinafter enacted.

C. Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, gender, disability or national origin. Contractor shall ensure that applicants for employment and employees are treated equally without regard to their race, color, religion, ancestry, gender, disability or national origin.

D. If any under representation is found after submission of Contractor's workforce report, the Commission may request an equal employment opportunity plan (EEOP). An acceptable plan to correct the identified underrepresented categories must be submitted within thirty (30) days. Once the EEOP has been approved by the Commission, the Contractor must adhere to said plan. In case of multi-year contracts, the Contractor will be required to submit annual workforce reports and EEOP updates as required.

E. Contractor understands that failure to comply with the above requirements and/or submitting false information in response to these requirements may result in penalties provided for in State and Federal law. In addition, Contractor may, at the election of the Commission, be disbarred from participating in a Commission project for not less than one (1) year.

ARTICLE 16. Lobbying Provisions: Contractor hereby certifies to the Commission, under penalty of perjury, under the terms of applicable federal law, that at all applicable times before, during and after the term of the Contract, that:

A. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, or modification of a Federal contract, grant, loan or cooperative agreement;

B. If any funds other than Federal appropriated funds have been paid to any person for

influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions;

C. Contractor will require that the above stated language be included in the award documents for all subawards at all tiers, including subcontracts, subgrants, loans, contracts, and cooperative agreements concerning the subject matter of this Contract; and,

D. Further, Contractor and all subrecipients, at all times, shall certify compliance with the provisions of 31 USC 1352 and any and all terms and conditions of the Byrd Anti-Lobbying Amendment, as amended from time to time.


ARTICLE 17. Necessary Approvals:

A. In the event that the initial amount of this Contract equals or exceeds Two Hundred Fifty Thousand Dollars (\$250,000.00), this Contract must be approved by the Housing Authority in order to be binding upon the Commission. In no event shall the Commission be bound by this Contract, unless and until such approval is obtained.

B. In the event that the initial amount of this Agreement equals or exceeds One Hundred Thousand Dollars (\$100,000.00), this Agreement must be approved by the Board of Commissioners of the Commission in order to be binding upon the Commission. In no event shall the Commission be bound by this Contract, unless and until such approval is obtained.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in original counterparts as of the day and year first above written.

Contractor:
STRONGHOLD ENGINEERING INC.

By: 
Print Name: Charles R. Gossage
Title: Executive Vice President
Date: 6 Jan 12

Commission:
SAN DIEGO HOUSING COMMISSION

Approved as to Form:
Christensen & Spath LLP

By: _____
Print Name: _____
Title: _____
Date: _____

By: _____
Charles B. Christensen
General Counsel
San Diego Housing Commission
Date: _____

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