



# REPORT

DATE: For the Agenda of March 1, 2002 **Item 100**

REPORT NO.: HCR 02-011

SUBJECT: Award of Contract for Replacement of Roof and Application of Stucco Color Coat at One Public Housing Site (Council District 8)

## SUMMARY

**Issue #1:** Should the Housing Commission recommend that the Housing Authority approve the withdrawal of submitted bid by apparent low bidder Leo's A-C Inc. in accordance with the applicable provision of the public contracting code allowing for the release of contractor due to a mistake in the bid causing it to be materially different than bidder intended?

**Recommendation #1:** That the Housing Commission recommend the Housing Authority approve the request of Leo's A-C Inc. to withdraw its bid in accordance with the applicable provision of the public contracting code allowing for the release of contractor due to a mistake in the bid causing it to be materially different than bidder intended.

**Issue #2:** Should the Housing Commission recommend the Housing Authority award a construction contract in the amount of \$299,000 with a ten percent contingency (\$29,900) to Stevens Construction for the removal and replacement of roof and application of stucco color coat at 2005-2065 Alaquinas Drive.

**Recommendation #2:** That the Housing Commission recommend the Housing Authority approve the award of contract to Stevens Construction and authorize the Chief Executive Officer to execute the Contract (Attachment 2) and expend the contingency if necessary, for items not anticipated in the original scope of work.

**Fiscal Impact:** Funding for this contract is contained in the approved Housing Commission budget. No local funds are required.



**Certificate of Funding Availability:**

Certificate No:	02-137
Amount:	\$299,000
Revenue Source:	Development Funds for Modernization
Division:	Housing Programs
Line Item:	Extraordinary Maintenance

**Equal Opportunity Statement:** Stevens Construction is not a Minority or Women Business Enterprise. Attachment 6 is a copy of the Workforce Analysis for Stevens Construction detailing the composition of their work force.

**Environmental Review:** This project has been determined to be categorically exempt pursuant to Article 19 Section 1530 of the California Environmental Quality Act.

**BACKGROUND**

HUD established the Capital Fund program to provide financial assistance to housing authorities to improve the physical condition and upgrade the management and operation of existing Public Housing projects to assure that such projects continue to be available.

**DISCUSSION**

The proposed work in this contract provides for the removal and replacement of roofing and application of stucco color coat at a public housing site consisting of 65 2- and 3-bedroom family units located at 2005-2065 Alaquinas Drive.

On January 4, 2002 an Invitation to Bid was issued for this work. Bid advertisements were placed in the *San Diego Union-Tribune*, the *San Diego Daily Transcript*, *La Prensa* and the *Voice and Viewpoint*. Individual invitations to bid were sent to 176 qualified contractors, of which 31 are Women Business Enterprises (WBE) or Minority Business Enterprises (MBE).

On January 22, 2002, a pre-bid conference was conducted with eight firms in attendance. The site was made available for contractor viewing, and during the bid period a total of 15 bid packages were provided to interested contractors.

At bid closing on February 4, 2002, seven bids were received. Information on the submitted bids is outlined in Attachment 1.

For the Agenda of March 1, 2002  
Award of the Construction Contract  
Page 3

Leo's A-C, Inc. submitted the lowest bid and subsequently requested withdrawal of the bid due to bid error (Attachment 4). This excusable error in bidding caused their bid to be inaccurate and incomplete (Attachment 5 Public Contracting Code § 5103. Grounds for Relief)

Staff analysis indicates that Stevens Construction, the next lowest bidder, submitted a responsive bid and is capable of successfully completing this project.

Respectfully submitted,

Approved by,

**Signature on File  
with Original Document**

Steve Snyder  
Manager, Asset Management

Elizabeth C. Morris  
Chief Executive Officer

SNYDER

Attachment(s):	1	Bid Information
	2	Contract with Stevens Construction
	3	Disclosure Stevens Construction
	4	Letter from Leo's A-C Inc.
	5	Public Contracting Code §5103
	6	Workforce Analysis

# ATTACHMENT 1

## BID INFORMATION

<u>Bidder</u>	<u>Amount</u>	<u>Responsive</u>	<u>M/WBE</u>
Leo's A-C Inc	\$213,000	Yes	No
Stevens Construction	\$299,000	Yes	No
Famania Construction	\$305,712	Yes	No
CI Restruction, Inc.	\$306,070	Yes	No
Randall Construction	\$398,311	Yes	No
Healey Construction	\$403,375	Yes	No
Best Roofing & Waterproofing Co.	\$428,941	Yes	No