

REPORT

DATE ISSUED: May 20, 2009

REPORT NO: HCR09-055

ATTENTION: Chair and Members of the Housing Commission
For the Agenda of June 19, 2009

SUBJECT: Award of Contract for Exterior Upgrades to Building Systems at 4343-4579 38th St.
(District 3)

REQUESTED ACTION:

That the Housing Commission award a construction contract to the lowest responsive bidder in the amount of \$53,700 for Exterior Upgrades to Building Systems at 4343-4579 38th Street located in the city of San Diego.

STAFF RECOMMENDATION:

- 1) Recommend that the Housing Commission approve the award of a contract to Strong Arm Construction & Company, Inc., in the amount of \$53,700 for exterior upgrades to building systems at 4343-4579 38th Street located in the City of San Diego.
- 2) Authorize the President & Chief Executive Officer or designee to execute the contract (Attachment 1) and expend up to a ten percent contingency (\$5,370), if necessary, for items not anticipated in the original scope of work.

BACKGROUND:

The Housing Commission has an ongoing requirement to improve the physical condition of its existing housing stock to ensure that such projects continue to be available as affordable housing for eligible residents. The proposed work under this contract generally provides for exterior work at two (2) sites and shall consist of, but not be limited to, repair and replacement of exterior trim, painting of the building exteriors, removal of existing and provision of new roof shingle system and rebuilding of electric meter enclosure.

FISCAL CONSIDERATIONS:

Funding for this contract is included in the FY09 Budget previously approved by the Housing Commission on April 25, 2008 and the Housing Authority on June 10, 2008.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On March 30, 2009, an Invitation for Bids was issued for this work. Advertisements were placed in the *San Diego Union Tribune*, the *San Diego Daily Transcript*, *La Prensa* and the *Voice and Viewpoint*. In addition, one hundred sixty-four (164) invitations were sent as outreach to general contractors.

On April 13, 2009, a pre-bid conference was conducted with eight (8) firms in attendance. During the bid period a total of twenty-eight (28) bid packages were provided to interested firms and four (4) plan rooms.

At bid closing on April 27, 2009, five (5) bids were received. Information on the submitted bids is outlined below:

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Award of Contract for Exterior Upgrades to Building Systems at 4343-4579 38th Street (District 3)

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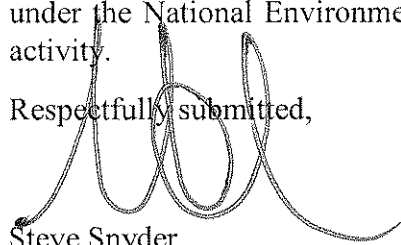
Bidder	<u>Amount</u>	<u>Responsive Bidder</u>	<u>DBE</u>
Strong Arm Construction & Co., Inc.	\$53,700	Yes	No
Eli Electric & Construction, Inc.	\$56,300	Yes	No
Best-Rate Repair Company, Inc.	\$59,785	Yes	No
Industrial Coating & Restoration	\$76,540	Yes	No
Healey Construction Company	\$94,846	Yes	No

Subsequent to the bid closing, an evaluation of all submitted bids was performed. Staff analysis indicates that Strong Arm Construction & CO, Inc. has provided the lowest responsive bid and is capable of performing the work.

ENVIRONMENTAL REVIEW:

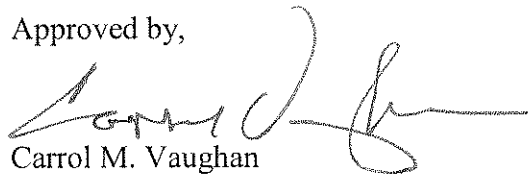
This action is categorically exempt from the provisions of California Environmental Quality Act (CEQA) pursuant to State CEQA Article 19 Guidelines Section 15301 (existing facilities). Processing under the National Environmental Policy Act is not required as no federal funds are implicated in this activity.

Respectfully submitted,



Steve Snyder
Director of Asset Management

Approved by,



Carrol M. Vaughan
Executive Vice President &
Chief Operating Officer

Attachment: 1 - Contract

Attachment 1

**EXTERIOR UPGRADES TO BUILDING SYSTEMS AT
4343-4579 38TH STREET**

WITH

**STRONG ARM CONSTRUCTION & COMPANY, INC.
Contract No. CI-09-22**

THIS AGREEMENT "Contract", entered into the _____ day of May 2009,

between the Commission:

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

and the Contractor:

**STRONG ARM CONSTRUCTION &
COMPANY, INC.**
961 Bollenbacher Street
San Diego, CA 92114
Tel: (619) 264-6021

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 exterior upgrades to building systems at 4343-4579 38th Street, in strict accordance with the Specifications dated March 30, 2009. 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 FIFTY-THREE THOUSAND SEVEN HUNDRED DOLLARS AND NO/100 (\$53,700.00).

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 indemnify, hold harmless and defend the City of San Diego ("the City"), the Commission and the Housing Authority of the City of San Diego ("the Housing Authority"), 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

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Indemnitee and Contractor will, if requested by Indemnitee, 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 Indemnitee'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 unless specifically incorporated herein.

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, Central District.

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 San Diego Housing Commission monies in accordance with Clause 33 of General Conditions, Section 0102.1 of the Technical Conditions and the Special Conditions at pages 150 and 156 as fixed, agreed and liquidated damages for

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each calendar day of delay until the work is completed and accepted by the San Diego Housing 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

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

C. Post the statement required by subdivision 1 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.

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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, the Commission may request an equal employment opportunity plan (EEO). An acceptable plan to correct the identified underrepresented categories must be submitted within thirty (30) days. Once the EEO 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 EEO 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 barred 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 of the City of San Diego in order to be binding upon the Commission. In no event shall the Commission be bound by this

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Contract, unless and until such approval is obtained.

B. In the event that the initial amount of this Contract equals or exceeds One Hundred Thousand Dollars (\$100,000.00), this Contract 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.

STRONG ARM CONSTRUCTION & COMPANY, INC.

By: _____
Signature

Print Name

Title: _____
License Number

Business Address
*961 Bollenbacher Street
San Diego, CA 92114*

SAN DIEGO HOUSING COMMISSION

By: _____
Signature

Carrol Vaughan

Print Name

Title: Executive Vice President & Chief Operating Officer

Business Address
*San Diego Housing Commission
1122 Broadway, Suite 300
San Diego, CA 92101*

Attachment 1

APPROVED AS TO FORM
CHRISTENSEN & SPATH LLP

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

Date: _____