



EXECUTIVE SUMMARY

HOUSING COMMISSION EXECUTIVE SUMMARY SHEET

DATE: June 15, 2018

HCR18-051

SUBJECT: Approval of the Award of Job Order Contracting Contracts

COUNCIL DISTRICT(S): Citywide

ORIGINATING DEPARTMENT: Real Estate Division

CONTACT/PHONE NUMBER: Jennifer McKinney/ (619) 578-7162

REQUESTED ACTION:

That the San Diego Housing Commission recommended that the Housing Authority of the City of San Diego approve the award of 11 separate multiyear Job Order Contracting (JOC) contracts for the maintenance, renovation, modernization and alteration of properties owned and/or managed by the San Diego Housing Commission.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The requested actions being proposed in this report will supplement the expiring JOC contracts entered into in 2014, 2015 and 2016 with a pool of newly-bid JOC agreements.
- Contracts from the existing contractor pool, which includes eleven (11) active JOC Agreements, will be coming up on their final one-year option terms over the next few years. The proposed new pool of agreements will carry the JOC program through 2022 with its proposed set of one-year option periods.
- Section 15 of the Housing Commission's Procurement Policy, titled "Cooperative Purchasing Agreements," authorizes and encourages the Housing Commission to utilize other federal, state and local cooperative purchasing agreements to expedite the procurement, contracting and project delivery process and to take advantage of a competitive selection process already conducted by another agency and thus save the Housing Commission the time and expense of conducting its own selection process.
- Housing Commission staff seeks authorization to enter into eleven (11) new cooperative purchasing agreements with NJPA and the 11 contractors for facility maintenance, renovation, modernization and alteration projects.
- Because JOC contracts are structured as on-call, as-needed contracts, the maximum contract capacity of \$2,000,000.00 annually do not constitute a guaranteed award amount or budgetary encumbrance or obligation by the Housing Commission, and are dependent on annual capital expenditure budget approvals.



REPORT

DATE ISSUED: June 7, 2018

REPORT NO: HCR18-051

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of

SUBJECT: Approval of the Award of Job Order Contracting Contracts

COUNCIL DISTRICT: Citywide

REQUESTED ACTION

Seven-Day Advance Notice of San Diego Housing Commission hearing of the following matter has been provided to the Housing Authority Members in accordance with the terms and provisions of San Diego Municipal Code Section 98.0301(e)(4)(b).

Award of 11 separate Job Order Contracting contracts for the maintenance, renovation, modernization and alteration of properties owned and/or managed by the San Diego Housing Commission.

STAFF RECOMMENDATION

That the San Diego Housing Commission (Housing Commission) take the following actions:

- 1) Authorize the President & Chief Executive Officer (President & CEO), or designee, to enter into cooperative purchasing agreements with the contractors referenced within this report based upon procurements previously competitively bid and awarded by the National Joint Powers Alliance (NJPA);
- 2) Approve the award of 11 separate Job Order Contracting (JOC) contracts that include an initial one-year term with three additional one-year contract renewal options to the following companies, each with a value not to exceed maximum annual capacity of \$2,000,000:
 - a. ACCO Engineered Systems Inc. (Mechanical) - SDHC JOC Contract #JOC-18-01
 - b. All Source Coatings, Inc. (General Construction) - SDHC JOC Contract #JOC-18-02
 - c. Good-Men Inc. Roofing and Construction (Roofing) - SDHC JOC Contract #JOC-18-03
 - d. Grondin Construction Inc. (General Construction) - SDHC JOC Contract #JOC-18-04
 - e. Harry H. Joh Construction Inc. (General Construction) - SDHC JOC Contract #JOC-18-05
 - f. Harry H. Joh Construction Inc. (Mechanical) - SDHC JOC Contract #JOC-18-06
 - g. Nexgen Building Group- SDHC JOC Contract #JOC-18-07
 - h. Pacific Building Group (General Construction) - SDHC JOC Contract #JOC-18-08
 - i. Pacific Contractors Group Inc. (Painting) - SDHC JOC Contract #JOC-18-09
 - j. Vet-Force Engineering & Construction (Engineering) - SDHC JOC Contract #JOC-18-10
 - k. Vincor Construction, Inc.- SDHC JOC Contract #JOC-18-11

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- 3) Authorize the President & CEO, or designee, to substitute the identified contract funding sources with other available funding sources as long as the total activity budget amount after substitution does not exceed the total approved budget, should the operational need arise or should actions be to the benefit of the Housing Commission and its mission; and
- 4) Authorize the President & CEO, or designee, to execute all documents and instruments necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and take such actions as are necessary and/or appropriate to implement these approvals.

SUMMARY

The Housing Commission has an ongoing need to maintain and improve the portfolio of properties it currently owns and/or manages. To meet this need more effectively, Housing Commission staff identified JOC as a procurement resource that enables staff to execute routine and reoccurring construction projects quickly and efficiently. SDHC JOC contracts entered into in 2014, 2015 and 2016 are expiring. These new JOC contracts are intended to supplement the expiring JOC contracts and help the Housing Commission meet its plans to maintain and improve its portfolio of properties over the next four years.

Section 15 of the Housing Commission's Procurement Policy, titled "Cooperative Purchasing Agreements," authorizes and encourages the Housing Commission to utilize other federal, state and local cooperative purchasing agreements (also known as "intergovernmental agreements) to expedite the procurement, contracting and project delivery process. In addition, the Housing Commission is encouraged to utilize JOC contracts, as and when applicable and in the best interests of the Housing Commission. Furthermore, under California's Joint Exercise of Powers Act (Govt. Code § 6500 et seq.), two or more public agencies may jointly exercise their contracting power if authorized by their legislative bodies. This cooperative/intergovernmental agreement contracting process is also endorsed by the U.S. Department of Housing and Urban Development (HUD) in Title 24, Subpart A, Part 85, Section 85.36(b)(5) of the Code of Federal Regulations and is widely employed by hundreds of federal, state and local agencies as a routine part of their procurement and contracting methodology. These contracts shall not be utilized for new construction, however, due to federal regulations.

Contracts were awarded by NJPA to the following 11 contractors identified as low responsive and responsible bidders:

- a) ACCO Engineered Systems Inc. (Mechanical) - NJPA Contract # CA-09-SI-CM-A-030618-AES
- b) All Source Coatings, Inc. (General Construction) - NJPA Contract # CA-09-SI-CM-A-030618-AES
- c) Good-Men Inc. Roofing and Construction (Roofing) - NJPA Contract # CA-09-SI-CM-A-030618-AES
- d) Grondin Construction Inc. (General Construction) - NJPA Contract # CA-09-SI-B-B-030618-GCI
- e) Harry H. Joh Construction Inc. (General Construction) - NJPA Contract# CA-09-SI-B-C-030618-HJC
- f) Harry H. Joh Construction Inc. (Mechanical) - SDHC JOC Contract # CA-09-SI-CM-B-030618-HJC
- g) Nexgen Building Group (General Construction) - NJPA Contract # CA-SD03GCB-090616-NBG
- h) Pacific Building Group (General Construction) - NJPA Contract # CA-09-SI-B-D-030618-PBG
- i) Pacific Contractors Group Inc. (Painting) - NJPA Contract # CA-09-SI-CP-A-030618-PCG
- j) Vet-Force Engineering & Construction (Engineering) - NJPA Contract # CA-09-SI-A-B-030618-VET
- k) Vincor Construction, Inc. (General Construction) - NJPA Contract # CA-09-SI-B-A-030618-VCI

Housing Commission staff seeks authorization to enter into 11 cooperative purchasing agreements with NJPA and the aforementioned contractors for facility maintenance, renovation, modernization

and alteration projects. NJPA is a State of Minnesota public agency that serves as a national municipal cooperative contracting agency for its members. The Housing Commission has been a member of NJPA since 2011.

The Housing Commission would utilize these contracts on an on-call, as-needed basis. Each contract would have a maximum annual capacity of \$2,000,000 and would be administered in accordance with Housing Commission Administrative Regulation No. 203.200 and the associated Standard Operating Procedures.

Contract forms have been developed to ensure Housing Commission-required provisions are included within each of the contracts. These provisions include prevailing wages and requirements of Section 3 of the HUD Act of 1968 (Section 3). Applicable federal, state and local prevailing wage labor compliance requirements shall apply to all of the proposed contracts.

FISCAL CONSIDERATIONS

Because JOC contracts are structured as on-call, as-needed contracts, the aforementioned maximum contract capacities of \$2,000,000 annually do not constitute a guaranteed award amount or expenditure obligation by the Housing Commission to the respective contractors. Neither do the specified maximum contract amounts constitute a budgetary encumbrance or obligation by the Housing Commission. Approving these actions will not affect the Fiscal Year 2019 budget. Budgetary encumbrances will occur on a project-by-project basis in accordance with the Housing Commission's delegation of authority policy.

EQUAL OPPORTUNITY/CONTRACTING

The NJPA JOC contractors possess the following certifications or designations:

- a. ACCO Engineered Systems Inc. – Multiple locations with an office in San Diego
- b. All Source Coatings, Inc. – Local Business, certified as a Small Business (SB) by the State of California and a Section 3 Business Concern by the Housing Commission
- c. Good-Men Inc. Roofing and Construction – Local Business, certified as a Minority Business Enterprise (MBE) by the California Public Utilities Commission
- d. Grondin Construction Inc. - Local Business, certified as a Small Business (SB) by the State of California and a Section 3 Business Concern by the Housing Commission
- e. Harry H. Joh Construction Inc. - Non-Local Business
- f. Nexgen Building Group - Local Business
- g. Pacific Building Group – Local Business
- h. Pacific Contractors Group Inc. - Non-Local Business
- i. Vet-Force Engineering & Construction - Local Business, certified as a Small Local Business Enterprise (SLBE) by the City of San Diego, a Disabled Veteran Business Enterprise (DVBE) by the State of California and a Section 3 Business Concern by the Housing Commission
- j. Vincor Construction, Inc.- Non-Local Business

The JOC contractors will submit the required EOC forms and Workforce Reports with each executed job order.

PREVIOUS COUNCIL and/or COMMITTEE ACTION

On June 14, 2016, the Housing Authority authorized contract amendments to increase the maximum annual contract capacity from \$500,000 to \$2,000,000 for each of the previously approved Housing Commission JOC contracts referenced within Report No. HAR16-018 (Resolution No. HA-1693).

On January 15, 2016, the Housing Commission Board of Commissioners authorized the award of two separate multiyear JOC contracts, each with a value not to exceed maximum annual capacity of \$500,000, with an initial term from January 18, 2016 – October 19, 2016, with three one-year options to renew, as described in Report No. HCR16-001.

On November 20, 2015, the Housing Commission Board of Commissioners approved amendments to two previously approved Housing Commission JOC contracts to increase the 2015-2016 maximum aggregate contract amounts, as described in Report No. HCR15-099.

On September 11, 2015, the Housing Commission Board of Commissioners approved the award of five separate multiyear JOC contracts, each with a value not to exceed maximum annual capacity of \$500,000, as described in Report No. HCR15-071.

On June 25, 2015, the Housing Commission Board of Commissioners approved the amendment to a previously approved Housing Commission JOC Contract to increase the annual maximum contract amount, as described in Report No. HCR15-053.

On September 12, 2014, the Housing Commission Board of Commissioners approved the award of three multiyear JOC contracts, as described in Report No. HCR14-081.

KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders include residents at Housing Commission owned and/or managed properties, the Housing Commission Real Estate Division, Property Management and Development Services Departments and JOC contractors.

ENVIRONMENTAL REVIEW

This activity is not a project as defined by the California Environmental Quality Act Section 21065 and State CEQA Guidelines Section 15378(b) (5), as it is an administrative activity of government that will not result in direct or indirect physical changes in the environment. The determination that this activity is not subject to CEQA, pursuant to Section 15060(c) (3), is not appealable and a Notice of Right to Appeal the Environmental Determination (NORA) is not required. Furthermore, this activity is exempt from the National Environmental Policy Act pursuant to Part 58.34(a) (3) of the Title 24 Code of Federal Regulations as an administrative and management-related activity.

Respectfully submitted,



George Hunt
Housing Construction Supervisor
Real Estate Division

Approved by,



Deborah N Ruane
Executive Vice President & Chief Strategy Officer
San Diego Housing Commission

Hard copies are available for review during business hours at the security information desk in the main lobby and the fifth floor reception desk of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 and at the Office of the San Diego City Clerk, 202 C Street, San Diego, CA 92101. You may also review complete docket materials in the “Public Meetings” section of the San Diego Housing Commission website at www.sdhc.org.