



## EXECUTIVE SUMMARY

### HOUSING COMMISSION EXECUTIVE SUMMARY SHEET

MEETING DATE: February 8, 2019

HCR19-023

SUBJECT: Amendment to Plumbing Maintenance and Repair Services Agreement No. PM-18-09

COUNCIL DISTRICT(S): Citywide

ORIGINATING DEPARTMENT: Real Estate

CONTACT/PHONE NUMBER: Jason Woo (619) 578-7416

#### REQUESTED ACTION:

Approve an amendment to the initial contract for plumbing maintenance and repair services at San Diego Housing Commission–owned and/or managed properties in the City of San Diego to increase the annual maximum contract amount by \$100,000 in the first year (February 1, 2018 – January 31, 2019), with four one-year options to renew at the previously approved contract amount,

#### EXECUTIVE SUMMARY OF KEY FACTORS:

- The Housing Commission has a continuing need for plumbing maintenance and repair services at its affordable rental housing sites. These plumbing services include ongoing routine, preventive, and emergency maintenance on a 24-hour basis, to be billed as needed.
- To maintain maximum efficiency in providing these services, both in-house staff and skilled maintenance service providers are utilized. To effectively and efficiently meet this need, the Housing Commission Board approved the award of a contract to GPS Plumbing on January 12, 2018, as outlined in Housing Commission Board Report HCR18-011.
- To maintain the expected service levels, Housing Commission staff is seeking to amend the agreement in Year 1 with GPS Plumbing, increasing the annual agreement value from \$499,000 to \$599,000 in Year 1.
- The increase is due to higher than anticipated levels of service and repair, including but not limited to the replacement of water heaters, a costly expense that had been contracted for separately in prior years.
- No changes are requested to the four one-year options to renew at this time, as a new procurement will take place for water heater replacements. Also, it is anticipated that plumbing maintenance and repair needs will decrease over time as Housing Commission-owned properties are currently undergoing improvements or are slated for rehabilitation in immediate future years.



**REPORT**

**DATE ISSUED:** January 31, 2019

**REPORT NO:** HCR19-023

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of February 8, 2019

**SUBJECT:** Amendment to Plumbing Maintenance and Repair Services Agreement No. PM-18-09

**COUNCIL DISTRICT:** Citywide

**REQUESTED ACTION**

Approve an amendment to the initial contract for plumbing maintenance and repair services at San Diego Housing Commission–owned and/or managed properties in the City of San Diego to increase the annual maximum contract amount by \$100,000 in the first year (February 1, 2018 – January 31, 2019), with four one-year options to renew at the previously approved contract amounts, allocated as follows:

<b>Contract Term</b>	<b>Funding amount</b>
Year 1 (February 1, 2018 – January 31, 2019)	\$599,000
1st Option (February 1, 2019 – January 31, 2020)	\$499,000
2nd Option (February 1, 2020 – January 31, 2021)	\$499,000
3rd Option (February 1, 2021 – January 31, 2022)	\$499,000
4th Option (February 1, 2022 – January 31, 2023)	\$499,000
<b>Total Contract Cost</b>	<b>\$2,595,000</b>

**STAFF RECOMMENDATION**

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

- 1) Approve Amendment 1 (Attachment 1) to increase the annual maximum contract amount with GPS Plumbing in the first contract year (February 1, 2018 – January 31, 2019) from \$499,000 to \$599,000 for plumbing maintenance and services at San Diego Housing Commission–owned and/or managed properties in the City of San Diego. The original contract amounts for the following four one-year options to renew at the Housing Commission’s discretion shall remain intact;
- 2) Authorize the President & Chief Executive Officer (President & CEO), or designee, to substitute the funding sources with other available funding sources provided that the total program/project budget amount after substitution does not exceed the approved total budget, should the operational need arise or should such actions be to the benefit of the Housing Commission and its mission; and
- 3) Authorize the President & CEO, or designee, to execute all documents and instruments that are 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 a continuing need for plumbing maintenance and repair services at its affordable rental housing sites. These plumbing services include ongoing routine, preventive, and emergency maintenance on a 24-hour basis, to be billed as needed. To maintain maximum efficiency in providing these services, both in-house staff and skilled maintenance service providers are utilized. To effectively and efficiently meet this need, the Housing Commission Board approved the award of a contract to GPS Plumbing on January 12, 2018, as outlined in Housing Commission Board Report HCR18-011.

To maintain the expected service levels, Housing Commission staff is seeking to amend the agreement in Year 1 with GPS Plumbing, increasing the annual agreement value from \$499,000 to \$599,000 in Year 1. The increase is due to higher than anticipated levels of service and repair, including but not limited to the replacement of water heaters, a costly expense that had been contracted for separately in prior years. No changes are requested to the four one-year options to renew at this time, as a new procurement will take place for water heater replacements. Also, it is anticipated that plumbing maintenance and repair needs will decrease over time as Housing Commission-owned properties are currently undergoing improvements or are slated for rehabilitation in immediate future years.

### **FISCAL CONSIDERATIONS**

The GPS Plumbing contract and respective amendments cross over fiscal years. The budget for plumbing repair in Fiscal Year 2019 is approximately \$386,000. Plumbing repair expense for Fiscal Year 2020 will be approved through the budget process.

### **EQUAL OPPORTUNITY/CONTRACTING**

GPS Plumbing is a local woman-owned business that is certified as a Section 3 Business Concern by the Housing Commission. GPS Plumbing has submitted the required EOC forms and Workforce Report.

### **KEY STAKEHOLDERS and PROJECTED IMPACTS**

Stakeholders include residents at Housing Commission-owned properties and the Housing Commission Property Management Department.

### **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. Processing under the National Environmental Policy Act is not required as no federal funds are involved in this action.

Respectfully submitted,

*Jennifer McKinney*

Jennifer McKinney  
Vice President, Real Estate Operations  
Real Estate Division

Approved by,

*Jeff Davis*

Jeff Davis  
Executive Vice President & Chief of Staff  
San Diego Housing Commission

January 31, 2019

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Hard copies are available for review during business hours at the security information desk in the main lobby and at 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 “Governance & Legislative Affairs” section of the San Diego Housing Commission website at [www.sdhc.org](http://www.sdhc.org)