



EXECUTIVE SUMMARY

HOUSING COMMISSION EXECUTIVE SUMMARY SHEET

MEETING DATE: September 18, 2020

HCR20-087

SUBJECT: Approval of the Award of Job Order Contracting Contracts

COUNCIL DISTRICT(S): Citywide

ORIGINATING DEPARTMENT: Real Estate

CONTACT/PHONE NUMBER: Pari Zaker (619) 578-7547

REQUESTED ACTION:

Advance notice of San Diego Housing Commission (Housing Commission) hearing of the following matter has been provided to the Housing Authority Members pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(4)(B).

Approve the 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.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The Housing Commission has an ongoing need to maintain and improve the real estate portfolio of properties it currently owns and/or manages. Housing Commission staff identified Job Order Contracting (JOC) as a procurement resource that enables staff to execute routine and reoccurring construction projects quickly and efficiently.
- JOC contracts entered into in 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 real estate 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.
- 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.
- Because JOC contracts are structured as on-call, as-needed contracts, the maximum contract capacities of \$2,000,000 annually do not constitute a guaranteed award amount or expenditure obligation by the Housing Commission. Neither do the specified maximum contract amounts constitute a budgetary encumbrance or obligation.
- Staff recommends approving the award of 11 separate JOC contracts that include an initial one-year term with three additional one-year contract renewal options, each with a value not to exceed maximum annual capacity of \$2,000,000.



REPORT

DATE ISSUED: September 15, 2020

REPORT NO: HCR20-087

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of September 18, 2020

SUBJECT: Approval of the Award of Job Order Contracting Contracts

COUNCIL DISTRICT: Citywide

REQUESTED ACTION

Advance notice of San Diego Housing Commission (Housing Commission) hearing of the following matter has been provided to the Housing Authority Members pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(4)(B).

Approve the 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 Sourcewell;
- 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. PUB Construction, Inc. (General Construction) - SDHC JOC Contract #JOC-21-01
 - b. Vincor Construction, Inc. (General Construction) - SDHC JOC Contract #JOC-21-02
 - c. All Source Coatings, Inc. (General Construction) - SDHC JOC Contract #JOC-21-03
 - d. LDCo., Inc. (General Construction) - SDHC JOC Contract #JOC-21-04
 - e. Harry H Joh Construction Inc. (General Construction) – SDHC JOC Contract #JOC-21-05
 - f. Sylvester Roofing (Roofing) - SDHC JOC Contract #JOC-21-06
 - g. PUB Construction, Inc. (Flooring) - SDHC JOC Contract #JOC-21-07
 - h. All Source Tile Inc. (Flooring) - SDHC JOC Contract #JOC-21-08
 - i. PUB Construction, Inc. (Painting) - SDHC JOC Contract #JOC-21-09
 - j. All Source Coatings Inc. (Painting) - SDHC JOC Contract #JOC-21-10
 - k. US National Corp. (Painting) - SDHC JOC Contract #JOC-21-11
- 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 real estate 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 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 real estate 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 only be used on federally funded projects and shall not be utilized for new construction due to federal regulations.

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

- a. PUB Construction, Inc. (General) SOURCEWELL Contract # CA09-SDI-GB01-080719-PUB
- b. Vincor Construction, Inc. (General) SOURCEWELL Contract # CA09-SDI-GB02-080719-VCI
- c. All Source Coatings, Inc. (General) SOURCEWELL Contract # CA09-SDI-GB03-080719-A
- d. LDCo., Inc. (General) SOURCEWELL Contract # CA09-SDI-GB04-080719-LDC
- e. Harry H Joh Construction Inc. (General) SOURCEWELL Contract # CA09-SDI-GB05-080719-HJC
- f. Sylvester Roofing (Roofing) SOURCEWELL Contract # CA09-SDI-R01-080719-SRC
- g. PUB Construction, Inc. (Flooring) SOURCEWELL Contract # CA09-SDI-F01-080719-PUB
- h. All Source Tile Inc. (Flooring) SOURCEWELL Contract # CA09-SDI-F02-080719-AST
- i. PUB Construction, Inc. (Painting) SOURCEWELL Contract # CA09-SDI-P01-080719-PUB
- j. All Source Coatings Inc. (Painting) SOURCEWELL Contract # CA09-SDI-P02-080719-ASC
- k. US National Corp. (Painting) SOURCEWELL Contract # CA09-SDI-P03-080719-USN

Housing Commission staff seeks authorization to enter into 11 cooperative purchasing agreements with Sourcewell and the aforementioned contractors for facility maintenance, renovation, modernization and alteration projects. Sourcewell 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 Sourcewell (Formerly 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 2021 Housing Authority-approved 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 Sourcewell JOC contractors possess the following certifications or designations:

- a. PUB Construction, Inc. – Non-Local Business, certified as a Small Business for the Purpose of Public Works (SB-PW) by the State of California
- b. Vincor Construction, Inc. - Non-Local Business
- c. LDCo., Inc. - Local Business, certified as a Small Business (SB) by the State of California and a Section 3 Business Concern by the Housing Commission
- d. Harry H Joh Construction Inc. - Non-Local Business, certified as a Small Business for the Purpose of Public Works (SB-PW) by the State of California
- e. Sylvester Roofing - Local Business, certified as a Small Business for the Purpose of Public Works (SB-PW) by the State of California
- f. All Source Tile Inc. - Local Business
- g. All Source Coatings Inc. - Local Business, certified as a Section 3 Business Concern by the Housing Commission.
- h. US National Corp. - Non-Local Business, certified as a Small Business (SB) by the State of California

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

PREVIOUS COUNCIL and/or COMMITTEE ACTION

On June 7, 2018, the Housing Commission Board of Commissioners approved the award of 11 separate multiyear JOC contracts, each with a value not to exceed maximum annual capacity of \$2,000,000 as described in Report No. HCR18-051. 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 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. The parties agree that the provision of any federal funds as the result of this action is conditioned on the City of San Diego's final NEPA review and approval. No contracts will be signed nor any action taken nor work performed under any of the contracts until such time as the appropriate NEPA clearances have been obtained

Respectfully submitted,

Frank Hanna

Frank Hanna
Senior Project Manager
Real Estate Division

Approved by,

Jeff Davis

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