



Good Neighbors

San Diego Housing Commission

REPORT

DATE ISSUED: August 22, 2006 REPORT NO: HCR 06-61
ATTENTION: Chair and Members of the Housing Commission ITEM: 100
For the Agenda of September 15, 2006
SUBJECT: Award of Contract to Remove/Replace Concrete Parking Lot (District 8)

REQUESTED ACTION:

Award a construction contract to the second lowest responsive bidder, Heffler Company, Inc., in the amount of \$111,000 with a ten percent contingency (\$11,000), for the removal and replacement of a concrete parking lot at the public housing site located at 1351 – 1359 Hollister Street.

STAFF RECOMMENDATION:

Recommend the Housing Commission approve the award of a contract to Heffler Company, Inc., the second lowest responsive bidder, for \$111,000 with a ten percent contingency (\$11,000), and authorize the President & Chief Executive Officer to execute the contract (Attachment 1) and expend the contingency, if necessary, for items not anticipated in the original scope of work.

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 as affordable housing for eligible residents.

DISCUSSION:

The proposed work under this contract provides for the removal and replacement of a concrete parking lot, restriping and curb painting at the twenty (20) unit family public housing development located at 1351 – 1359 Hollister Street in the Nester area of San Diego.

FISCAL CONSIDERATIONS:

Funding for this contract is contained in the Capital Fund Program CA16-PO63-501-05, and included in the FY07 Housing Commission budget previously approved by the Housing Authority on May 2, 2006. No local funds are required.

Certificate No.: 07-033 Amount: \$111,000 Revenue Source: Capital Fund Program

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On June 14, 2006, an Invitation to Bid was issued for this work. Bid advertisements were placed in the *San Diego Union*, the *San Diego Daily Transcript*, *La Prensa* and the *Voice and Viewpoint*. In addition, twenty (20) invitations were sent as outreach to asphalt/concrete contractors and plan rooms.



A state agency authorized by the City of San Diego

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On June 26, 2006, a pre-bid conference was conducted with four (4) firms in attendance. During the bid period a total of nine (9) bid packages were provided to interested contractors.

At bid closing on July 21, 2006, four (4) bids were received. Information on the submitted bids is outlined below:

<u>Bidder</u>	<u>Amount</u>	<u>Responsive Bidder</u>	<u>DBE</u>
Healey Construction	\$61,707	Yes	No
Heffler Company, Inc.	\$111,000	Yes	No
CDM Construction	\$118,272	Yes	No
Koch-Armstrong General Eng., Inc.	\$155,344	Yes	No

Subsequent to the bid closing, Healey Construction, the apparent low bidder, noticed a clerical error in the submission of their bid and requested relief of bid (Attachment 2). This request complies with Public Contract Code Section 5103, and has been approved by the Contracting Officer (Attachment 3).

ENVIRONMENTAL REVIEW:

On or about September 30, 2005, the Housing Commission received written approval of the Request for the Release of Capital Funds for FY05 from HUD, and acknowledging compliance with the applicable provisions of NEPA including, but not limited to, 24 CFR Part 58. Further the Housing Commission was expressly, in writing, authorized to incur costs for the Capital Fund Program. The expenditure referenced herein is part of the Capital Fund Program that was reviewed under NEPA and for which expenditure of funds was approved by HUD. The proposal activity is categorically excluded from NEPA as determined by the Responsible Agency, the City of San Diego, on or before August 15, 2005.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

The Housing Commission is the owner and manager of the 100% affordable public housing development located at 1351 – 1359 Hollister Street. The completion of this contract will improve the living conditions of the residents at this site. Heffler Company is a San Diego based construction company. Staff analysis indicates that Heffler has submitted the lowest responsive bid and is capable of completing the work.

Respectfully submitted,

**Signature on File
With Original Document**

Approved by,

Steve Snyder
Director of Facilities

Elizabeth C. Morris
President & Chief Executive Officer

Attachments: 1 – Contract
2 – Healey Construction Relief of Bid Letter dated July 24, 2006
3 – Housing Commission Letter dated July 26, 2006

Attachment 1

CONTRACT

THIS AGREEMENT made this ___ day of September, in the year 2006, by and between HEFFLER COMPANY, INC., a corporation organized and existing under the laws of the State of California, hereinafter called the "Contractor," and the SAN DIEGO HOUSING COMMISSION, hereinafter called the "Commission" and/or "Owner."

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 REMOVE/REPLACE CONCRETE PARKING LOT (501-05-9), in strict accordance with the Specifications dated June 14, 2006, and Addenda numbered (1) and (2) dated July 11, 2006. Specifications, Addenda and Drawings 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 ONE HUNDRED ELEVEN THOUSAND AND NO/100 Dollars (\$111,000.00).

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 save, indemnify and keep harmless City of San Diego, The San Diego Housing Commission and the Housing Authority of the City of San Diego, and each of them (hereinafter collectively referred to as Indemnitee), 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 Indemnitee save and except liability, claims, judgments or demands arising through the sole negligence or sole willful misconduct of Indemnitee or resulting from defects in design furnished by Indemnitee and Contractor will, if requested by Indemnitee, defend any such suits against the Commission, the City/and or the Housing Authority of the City of San Diego, 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.

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

Attachment 1

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 Agreement, the same shall be resolved in San Diego Superior Court, Downtown Branch.

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 owner.

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 as fixed, agreed and liquidated damages for 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
- f. Drawings
- g. Addenda to the Specifications and/or Drawings

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

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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.

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 workforce, the Commission may request an equal employment opportunity plan (EEOP). An acceptable plan to correct the identified underrepresented categories must be submitted within 30 days. Once the EEOP 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 EEOP 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, the Contractor may, at the election of the Commission, be disbarred 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 Agreement, 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,

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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 Agreement; 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.

Attachment 1

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.

HEFFLER COMPANY, INC.	
By:	
	Signature
	Print Name
Title:	
	License Number
	Business Address
	<i>1800 McKinley Avenue, Suite A</i>
	<i>National City, CA 91950</i>
SAN DIEGO HOUSING COMMISSION	
By:	
	Signature
	Carrol Vaughan
	Print Name
Title:	Executive Vice President & Chief Operating Officer
	Business Address
	<i>San Diego Housing Commission</i>
	<i>9550 Ridgehaven Court</i>
	<i>San Diego, CA 92123</i>

APPROVED AS TO FORM CHRISTENSEN, SCHWERDTFEGER, & SPATH L.L.P.	
By:	
	Charles B. Christensen, Esq.
	General Counsel
	San Diego Housing Commission
Date:	

HEALEY CONSTRUCTION CO.

E-Mail: healeyconst@aol.com
General Contractor
CA LIC # 668136

July 24, 2006

San Diego Housing Commission
9550 Ridgehaven Court
San Diego, California 92123

Mr. Maurcell Gresham,

Re: Project 501-05-09 / Removal and Replacement of Parking Lot
And: Project 501-05-11 / Site Improvements at Figueroa Blvd

Healey Construction Co. is requesting relief from the above bids.

A mistake was made in our handling of the bid packages at the time of the bid.

At the time of the bids David Brothers was to put in the final amounts on both 501-05-09 and 501-05-11 and submit both bids before 2:00 pm on July 21, 2006 inadvertently he wrote the wrong amount on both bids, they were reversed.

Our intention was to bid.

501-05-9 \$153,295.00

501-05-11 \$ 63,250.00

Sincerely,



David Healey
Owner



Construction Estimate
File Name: San Diego Housing 501-05-09.est

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Qty	Craft@Hours	Unit	Material	Labor	Equipment	Total
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Remove/Replace Concrete Parking Lot

Bid Date: Friday, July 14, 2006
Bid Time: 2:00 PM

San Diego Housing Commission
9550 Ridgehaven Court
San Diego, CA
92123

Ph:(619)578-7526 Fax:(619)578-7386

Project Num: 501-05-09
Owner Est: 25,500

Contact: Attn: Eric Thomson

Remove/Replace Concrete Parking Lot: remove and replace concrete parking lot, restriping, and curb painting. All work to be performed at one public site located at 1351-1359 Hollister Ave., San Diego

Addenda:

Duration: 30 days

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Direct overhead

Job superintendent (\$4,400 per month)

1.00	-@.0000	M\$	4,803.92	0.00	0.00	4,803.92
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Pickup truck for superintendent (\$400 per month)

1.00	-@.0000	M\$	436.72	0.00	0.00	436.72
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Temporary water (\$100 per month)

1.00	-@.0000	M\$	109.18	0.00	0.00	109.18
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Temporary phone (\$100 per month)

1.00	-@.0000	M\$	109.18	0.00	0.00	109.18
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Job site toilets (\$100 per month)

1.00	-@.0000	M\$	109.18	0.00	0.00	109.18
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Job site cleanup & debris removal (\$300 per month)

1.00	-@.0000	M\$	0.00	375.00	0.00	375.00
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Construction Estimate

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File Name: San Diego Housing 501-05-09.est

Qty	Craft@Hours	Unit	Material	Labor	Equipment	Total
Job signs & first aid equipment (\$50 per month)						
1.00	--@.0000	M\$	55.12	0.00	0.00	55.12
Small tools, supplies (\$200 per month)						
1.00	--@.0000	M\$	218.36	0.00	0.00	218.36

Temporary chain link fence						
500.00	--@.0000	LF	0.00	0.00	0.00	927.00
Compactor						
1.00	CC@8.000	--	212.00	511.00	1,562.00	2,285.00
Repair Grounds						
1.00	CC@8.000	--	159.00	511.00	49.50	719.50
Restripe parking area						
1.00	CC@8.000	--	159.00	511.00	27.50	697.50
4 Wheel stops						
1.00	CC@8.000	--	0.00	511.00	71.50	582.50

Sub-Contractors.						
Demo Concrete						
1.00	--@.0000	--	0.00	0.00	0.00	11,638.38
Excavation						
1.00	--@.0000	--	0.00	0.00	0.00	5,645.86
Testing						
1.00	--@.0000	--	0.00	0.00	0.00	515.00
Import & Compact DG						
1.00	CC@16.00	--	3,752.07	1,020.00	2,420.00	7,192.07
Testing						
1.00	--@.0000	--	0.00	0.00	0.00	515.00
Concrete						
1.00	--@.0000	--	0.00	0.00	0.00	97,185.65
Sawcut new concrete						
1.00	--@.0000	--	0.00	0.00	0.00	1,060.49

Construction Estimate

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File Name: San Diego Housing 501-05-09.est

Qty	Craft@Hours	Unit	Material	Labor	Equipment	Total
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Total Manhours, Material, Labor, and Equipment:						
	48.0		10,123.73	3,439.00	4,130.50	17,693.23
Total Only (Subcontract) Costs:						117,487.38
Subtotal:						135,180.61
5.00% Overhead:						6,759.03
8.00% Profit:						11,355.17
Estimate Total:						153,294.81



Good Neighbors

**San Diego
Housing Commission**

- 9550 Ridgeway Court
- San Diego, California 92123
- Fax 619/578 7385
- www.sdhc.net

July 26, 2006

David Healey
Healy Construction, Inc.
1545 Tidelands Ave.
National City, CA 91950
Via Fax: (619) 474-2301

Re: Project 501-05-9 / Removal and Replacement of Parking Lot

Mr. Healey,

The documentation provided by Healey Construction Co., in support of your request for relief of bid for the above referenced project has been reviewed. It has been determined by this office that the documentation meets the requirements as outlined in California Public Contract Code 5103. Therefore, your request for relief of bid is hereby granted.

If you have any questions please contact Maurcell Gresham of my staff at (619) 578-7485.

Sincerely,

Steve Snyder
Contracting Officer

cc: Dan Turpin
Eric Thomson
Maurcell Gresham

