



REPORT

DATE ISSUED: January 31, 2007

REPORT NO: HCR 07-12

ATTENTION: Chair and Members of the Housing Commission
For the Agenda of March 2, 2007

SUBJECT: Award of Contract for the Improvements at Fulton Street and Golfcrest Drive
(Council Districts 6&7)

REQUESTED ACTIONS:

That the Housing Authority award a construction contract to the lowest responsive bidder in the amount of \$2,948,000 for various improvements at the public housing sites located at Fulton Street and Golfcrest Drive, and transfer funds from public housing reserves to augment budgeted funds to help pay for the work.

STAFF RECOMMENDATION:

- 1) Recommend that the Housing Authority approve the award of the contract to Hugo Alonso, Inc., dba L.J. Ninteman Construction Services in the amount of \$2,948,000.
- 2) Authorize the President & Chief Executive Officer to execute the contract (Attachment 1) and expend up to a ten percent contingency (\$294,800), if necessary, for items not anticipated in the original scope of work; following final approval of the contract award by the Housing Authority.
- 3) Approve an amendment to the FY07 Budget to transfer \$271,050 of Federal Public Housing Funds Reserves to Property Management/Asset Management Extraordinary Maintenance for this contract.

BACKGROUND:

On May 22, 1995, Roman E.C.D., Inc., entered into a contract with the San Diego Housing Commission to construct the forty-seven (47) unit family public housing development located at three (3) separate sites; 7526-7580 Fulton Street; 7281, 7289 and 7291 Saranac Street; and 7891, 7895 and 7899 Golfcrest Drive.

On September 29, 2000, the San Diego Housing Commission filed suit against the Weyerhaeuser Company, Roman E.C.D. Inc., and Vigilant Insurance Company for faulty construction of the forty-seven (47) units.

On or about December 19, 2002, the Weyerhaeuser Company, Roman E.C.D. Inc., and Vigilant Insurance Company reached settlement in this matter, which resulted in payment to the Housing Commission of \$2.55 million.

FISCAL CONSIDERATIONS:

Funding for this contract and budget amendment is included in the FY07 Commission budget previously approved by the Housing Commission on April 14, 2006, and the Housing Authority on May 2, 2006. Local Funds from the construction defects settlement as well as Conventional Public Housing Reserves are to be utilized for the funding of this contract.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On four occasions, at the height of San Diego's residential building upswing (on April 20, 2004, June 10, 2004, September 27, 2004, and January 10, 2005), this project was put out to bid. On the first three occasions no bids were received. On the January 10, 2005, Invitation to Bid, four (4) bids were received, and on February 4, 2005, the Housing Commission elected to reject all bids and directed staff to again put the project out to bid.

On February 8, 2005, an Invitation to Bid was issued for this work. HAR Construction, Inc. was awarded the contract for Saranac only and subsequently completed work at a cost of \$843,794.

The proposed work under this contract provides for various exterior repairs, concrete replacement, landscape upgrades, public improvements and exterior and interior painting at the forty (40) unit family public housing developments located at 7520-7580 Fulton Street; and 7891, 7895 and 7899 Golfcrest Drive in the Linda Vista and San Carlos areas of the City of San Diego, respectively.

On November 21, 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, eighty-eight (88) invitations were sent as outreach to general contractors.

On December 6, 2006, a pre-bid conference was conducted with seven (7) firms in attendance. During the bid period a total of ten (10) bid packages were provided to interested contractors.

At bid closing on December 21, 2006, two (2) bid packages were received. Information on the submitted bids is outlined below:

Bidder	Amount	Responsive Bidder	DBE
Hugo Alonso, Inc., dba	\$2,948,000	Yes	Yes
L.J. Ninteman Construction Services			
Orion Construction	\$3,283,620	Yes	No

Staff analysis indicates that L.J. Ninteman Construction Services has provided the lowest responsive bid and is capable of performing the work and should be awarded the contract for these physical improvements.

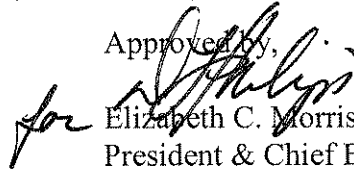
ENVIRONMENTAL REVIEW:

This action is categorically exempt from the provisions of CEQA under the provisions of 14 California Code of Regulations Sections 15301 (existing facilities). A Notice of Exemption has been issued by the environmental review staff of the City of San Diego (Attachment 2).

Respectfully submitted,

Steve Snyder
Facilities Director

Approved by,


Elizabeth C. Morris
President & Chief Executive Officer

- Attachments: 1- Contract
2- Determination of Environmental Exemption
3- Workforce Analysis

**SITE IMPROVEMENTS AT 7526 FULTON STREET &
7891 GOLFCREST DRIVE**

WITH

**HUGO ALONSO, INC, dba
L.J. NINTEMAN CONSTRUCTION SERVICES
Contract No. 07-XM-2**

THIS AGREEMENT, entered into the ____ day of _____ 2007,

between the Commission:

SAN DIEGO HOUSING COMMISSION

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

and the Contractor:

**HUGO ALONSO, INC., a California
Corporation dba**

**L.J. NINTEMAN CONSTRUCTION
SERVICES**
1371 Presioca Street
Spring Valley, CA 91977
Tel: (619) 660-6255

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 Site Improvements at 7526 Fulton Street and 7891 Golfcrest Drive, in strict accordance with the Specifications dated November 21, 2006. Specifications 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 TWO MILLION NINE HUNDRED FORTY-EIGHT THOUSAND DOLLARS AND NO/100 (\$2,948,000.00).

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 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

Attachment 1

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, 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 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, Section 0102.1 of the Technical Conditions and the Special Conditions at pages 157 and 158 as fixed, agreed and liquidated damages for

Attachment 1

each calendar day of delay until the work is completed and accepted by the San Diego Housing Commission and the tenants have been returned to their respective units.

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

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.

Attachment 1

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 thirty (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, 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 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, 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.

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 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.

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.

HUGO ALONSO, INC. dba	
L.J. NINTEMAN CONSTRUCTION SERVICES	
By:	
	Signature
	Print Name
Title:	
	License Number
	Business Address
	<i>1371 Presioca Street</i>
	<i>Spring Valley, CA 91977</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>1122 Broadway, Suite 300</i>
	<i>San Diego, CA 92101</i>

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

**DETERMINATION OF
ENVIRONMENTAL EXEMPTION**

Pursuant to the California Environmental Quality Act (CEQA) and State CEQA Guidelines

Agency: CITY OF SAN DIEGO

Project No.: 68635

Date: April 25, 2005

Action/Permit(s): Approval by San Diego Housing Commission and Housing Authority

Description of Activity: Fulton, Golfcrest & Saranac Improvements. The project proposes to award a contract for rehabilitation work on three low income public housing sites: 7526 Fulton Avenue (31 units), 7891 Golfcrest Drive (9 units) and 7281 Saranac Street (7 units). The scope of work would include the provision of labor, materials, tools and equipment necessary for and incidental to the removal and replacement of all and/or area specific hardboard siding, trim, moisture barrier paper, gutters, downspouts, stucco repairs, window flashing, sheet metal flashing, screen replacement, roofing replacement, ventilation dampers, site concrete, site asphaltic concrete, site irrigation, site drainage, site landscaping, public improvements, painting and interior drywall.

Location of Activity: 7526 Fulton Avenue, 7891 Golfcrest Drive, and 7281 Saranac Street, City/County of San Diego.

(CHECK BOXES BELOW)

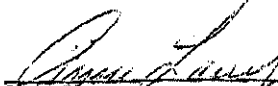
1. This activity is EXEMPT FROM CEQA pursuant to:
 - Section 15060(c) (3) of the State CEQA Guidelines (the activity is not a project as defined in Section 15378).
2. This project is EXEMPT FROM CEQA pursuant to State CEQA Guidelines Section checked below:

ARTICLE 19 of GUIDELINES CATEGORICAL EXEMPTIONS (Incomplete list)		ARTICLE 18 of GUIDELINES STATUTORY EXEMPTIONS (Incomplete list)	
Section	Short Name	Section	Short Name
<input checked="" type="checkbox"/> 15301	Existing Facilities	<input type="checkbox"/> 15261	Ongoing Project
<input type="checkbox"/> 15302	Replacement or Reconstruction	<input type="checkbox"/> 15262	Feasibility and Planning Studies
<input type="checkbox"/> 15303	New Construction or Conversion of Small Structures	<input type="checkbox"/> 15265	Adoption of Coastal Plans and Programs
<input type="checkbox"/> 15304	Minor Alterations to Land	<input type="checkbox"/> 15268	Ministerial Projects
<input type="checkbox"/> 15305	Minor Alteration in Land Use	<input type="checkbox"/> 15269	Emergency Projects
<input type="checkbox"/> 15306	Information Collection	<input type="checkbox"/> Other	
<input type="checkbox"/> 15311	Accessory Structures		
<input type="checkbox"/> 15312	Surplus Government Property Sales		
<input type="checkbox"/> 15315	Minor Land Divisions		
<input type="checkbox"/> 15317	Open Space Contracts or Easements		
<input type="checkbox"/> 15319	Annexation of Existing Facilities and Lots for Exempt Facilities		
<input type="checkbox"/> 15325	Transfer of Ownership of Interest in Land to Preserve Open Space		
<input type="checkbox"/> Other			

It is hereby certified that the City of San Diego has determined the above activity to be exempt:

Distribution:

Exemption or Project file
Pat Grabski, Development Project Manager



Senior Planner
Environmental Analysis Section

Company Name Hugo Alonso, Inc. Payroll Ending Date December 31, 2006

SAN DIEGO HOUSING COMMISSION
REPORT OF SAN DIEGO COUNTY WORKFORCE

Occupational Category	Total Number of Employees		Caucasian Non Hispanic		African American Non Hispanic		Hispanic All Races		Asian/Pacific Islander Non Hispanic		Native American Non Hispanic		Filipino		Disabled		Total Disadvantaged	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Executive, Administrative and Managerial	2	1	1	1			1	1							1	1		
Professional Specialty	3		2						1						1			
Technicians and Related Support																		
Sales	1		1															
Administrative Support		3		1				1		1								2
Services																		
Precision Production, Craft and Repair	32	1	6	1			25	1							26	1		
Machine Operators, Assemblers and Inspector																		
Transportation and Material Moving																		
Handlers, Equipment Cleaners, Helpers and Laborers	3		1				2								2			
TOTALS	41	5	11	1	1	1	28	3	1	1					30	4		