



## EXECUTIVE SUMMARY

**DATE ISSUED:** April 13, 2010

**REPORT NO:** HCR 10-057

**ATTENTION:** Chair and Members of the Housing Commission  
For the Agenda of May 14, 2010

**SUBJECT:** Award of Contract for Building & Site Improvements **COUNCIL DISTRICT:** Citywide

### SUMMARY:

In order to satisfy the lender's requirements in connection with the refinancing of San Diego Housing Commission's (SDHC) real estate portfolio, SDHC is required to improve the physical conditions of its housing stock at various SDHC owned properties. The proposed work under this contract generally provides for exterior site and building upgrades including: concrete flatwork, asphalt paving, painting, stucco repairs, landscaping, and repair and replacement of termite damaged wood trim at 55 family housing developments located in the City of San Diego.

### STAFF RECOMMENDATION:

- 1) Recommend that SDHC approve the award of a construction contract to Sun Country Builders, Inc. in the amount of \$1,951,281 for building and site improvements at SDHC owned properties.
- 2) Following final approval of the contract award by the Housing Authority, authorize the President & Chief Executive Officer, or designee, to execute the contract, in a form approved by General Counsel, and all necessary documents, and to expend up to ten percent contingency (\$195,128), if necessary, for items not anticipated in the original scope of work.
- 3) Recommend that SDHC approve a budget revision transferring \$2,146,409 of SDHC Local Unit Funds from Reserves to Construction Services capital improvements to provide for this contract including a ten percent contingency.

### FISCAL CONSIDERATIONS:

Funding for this contract is included in the FY10 Housing Commission budget previously approved by the Housing Commission and the Housing Authority on May 15, 2009, and June 16, 2009, respectively.

**REPORT CONTACT:** Dan P. Turpin, (619) 578-7481



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**ATTENTION:** Chair and Members of the Housing Commission  
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**SUBJECT:** Award of Contract for Building & Site Improvements **COUNCIL DISTRICT:** Citywide

**REQUESTED ACTION:**

Approval of San Diego Housing Commission (SDHC) contract with Sun Country Builders, Inc.

**STAFF RECOMMENDATION:**

- 1) Recommend that SDHC approve the award of a construction contract to Sun Country Builders, Inc. in the amount of \$1,951,281 for building and site improvements at SDHC owned properties.
- 2) Following final approval of the contract award by the Housing Authority, authorize the President & Chief Executive Officer, or designee, to execute the contract (Attachment 1), in a form approved by General Counsel, and all necessary documents, and to expend up to ten percent contingency (\$195,128), if necessary, for items not anticipated in the original scope of work.
- 3) Recommend that SDHC approve a budget revision transferring \$2,146,409 of SDHC Local Unit Funds from Reserves to Construction Services capital improvements to provide for this contract including a ten percent contingency.

**SUMMARY:**

In order to satisfy the lender's requirements in connection with the refinancing of SDHC's real estate portfolio, SDHC is required to improve the physical conditions of its housing stock at various SDHC owned properties. The proposed work under this contract generally provides for exterior site and building upgrades including: concrete flatwork, asphalt paving, painting, stucco repairs, landscaping, and repair and replacement of termite damaged wood trim at 55 family housing developments located in the City of San Diego (Attachment 2).

**FISCAL CONSIDERATIONS:**

Funding for this contract is included in the FY10 Housing Commission budget previously approved by the Housing Commission and the Housing Authority on May 15, 2009, and June 16, 2009, respectively.

**EQUAL OPPORTUNITY AND CONTRACTING INFORMATION:**

Sun Country Builders, Inc. is not certified as a Disadvantaged, Women Owned or Disabled Veteran Business Enterprise. A Certificate of Compliance and a Workforce Analysis has been provided, and shows that this vendor is in compliance with the SDHC Equal Opportunity Program, Federal, State and Local laws. Information on the Workforce Analysis indicates that 61 percent of the company's workforce is disadvantaged.

**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:**

On February 5, 2010, an Invitation for Bids was issued for this work. Bid advertisements were placed in the *San Diego Daily Transcript*, *San Diego Union Tribune*, *Voice and Viewpoint* and *La Prensa*. In addition, 215 invitations were sent as outreach to general contractors.

On February 18, 2010, a pre-bid conference was conducted with 22 contractors in attendance. During the bid period, bid packages were provided to a total of eight (8) plan rooms.

At bid closing on April 5, 2010, two (2) bids were received. Information on the submitted bids is outlined below:


Bidder	Amount	Responsive Bidder	DBE
Sun Country Builders, Inc.	\$1,951,281	Yes	No
Randall Construction	\$3,526,568	Yes	No

Immediately following the bid opening, bids were evaluated for responsiveness by the SDHC Procurement Officer. The bid submitted by Sun Country Builders, Inc. was found to be responsive and within an acceptable range of the pre-determined in-house project valuation of \$2,447,148.

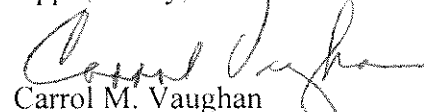
**ENVIRONMENTAL REVIEW:**

This activity is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to State CEQA Article 19 Guidelines Section 15301 (existing facilities). Processing under the National Environmental Policy Act is not required as no federal funds are implicated in this action.

Respectfully submitted,

  
D. Lawrence Clemens  
Senior Vice President

Approved by,

  
Carrol M. Vaughan  
Executive Vice President &  
Chief Operating Officer

Attachments: 1 – Contract  
2 – List of Sites

Hard copies are available for review during business hours in the main lobby 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 on the San Diego Housing Commission website at [www.sdhc.org](http://www.sdhc.org).

# ATTACHMENT 1

## SAN DIEGO HOUSING COMMISSION

WITH

## SUN COUNTRY BUILDERS, INC.

### Contract No. CI-10-15

THIS AGREEMENT "Contract", entered into the \_\_\_\_ day of \_\_\_\_\_ 2010,

between the Commission:

**SAN DIEGO HOUSING COMMISSION**  
1122 Broadway, Suite 300  
San Diego, California 92101  
Tel: (619) 231-9400

and the Contractor:

**SUN COUNTRY BUILDERS, INC.**  
138 Escondido Avenue, Ste. 204  
Vista, CA 92084  
Tel: (760) 630-8042

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 building and site improvements at Housing Commission owned properties, in strict accordance with the Specifications dated February 5, 2010, and Addendum number one (1) dated February 25, 2010; Addendum number two (2) dated March 8, 2010; and Addendum number three (3) dated March 19, 2010. 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 MILLION NINE HUNDRED FIFTY ONE THOUSAND TWO HUNDRED AND EIGHTY ONE DOLLARS AND NO/100 (\$1,951,281).

**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 indemnify, hold harmless and defend the 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 Indemnatee save and except liability, claims, judgments or demands arising through the sole negligence or sole willful misconduct of Indemnatee or resulting from defects in design furnished by Indemnatee and Contractor will, if requested by Indemnatee, 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 Indemnatee'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 unless specifically incorporated herein.

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 Contract, the same shall be resolved in San Diego Superior Court, Central District.

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 Commission.

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, the Special Conditions and Section 0102.1 of the Technical Specifications at pages 129-143 and 183 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. Addendum 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 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's 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 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 Contract, 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 Contract; 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

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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.

**SUN COUNTRY BUILDERS, INC.**

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

Title: \_\_\_\_\_  
License Number

**Business Address**

**SAN DIEGO HOUSING COMMISSION**

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

Title: \_\_\_\_\_

**Business Address**  
*San Diego Housing Commission*  
*1122 Broadway, Suite 300*  
*San Diego, CA 92101*

APPROVED AS TO FORM  
CHRISTENSEN & SPATH LLP

By: \_\_\_\_\_  
Charles B. Christensen, Esq.  
General Counsel  
San Diego Housing Commission

Date: \_\_\_\_\_

**ATTACHMENT 2**  
SDHC Site Improvement Property List

	Address	Zip Code	District Number	
1	12643 - 12687	EL CAMINO REAL	92130	1
2	7105 - 7120	EASTMAN STREET AND 7085 - 7095 LEVANT STREET	92111	5
3	7705 - 7795	BELDEN STREET	92111	5
4	4131	MARYLAND STREET	92103	3
5	3501	1ST AVENUE	92103	3
6	4416	HIGHLAND AVENUE	92115	3
7	4261	45TH STREET	92115	3
8	4541	33RD STREET	92116	3
9	4632	33RD STREET	92116	3
10	4729	32ND STREET	92116	3
11	4751	33RD STREET	92116	3
12	3755 - 3761	ALABAMA STREET	92104	3
13	4043	WILSON AVENUE	92104	3
14	3850	CHEROKEE AVENUE	92104	3
15	4054 - 4058	CHEROKEE AVENUE	92104	3
16	4360	CHEROKEE AVENUE	92104	3
17	4164	37TH STREET	92105	4
18	4254	36TH STREET	92104	3
19	2727 - 2745	MEADE AVENUE	92116	2
20	4637 -	HAMILTON STREET	92116	3
21	4381 - 4387	LOUISIANA STREET	92104	3
22	4081 - 4087	FLORIDA STREET	92104	3
23	3354	GRIM AVENUE	92104	3
24	2932	30TH STREET	92104	3
25	3125	IVY STREET	92104	3
26	3974	BANCROFT AVENUE	92104	3
27	3984	BANCROFT AVENUE	92104	3
28	2883	BOSTON AVENUE	92113	8
29	2955	BOSTON AVENUE	92113	8
30	4479 - 4481	ALTADENA AVENUE	92115	7
31	4566	51ST STREET	92115	7
32	5326 - 5328	REX AVENUE	92105	7
33	3051	54TH STREET	92105	4
34	4205 - 4215	JUNIPER STREET	92105	3
35	4273 - 4283	JUNIPER STREET	92105	3
36	4451 - 4459	MARKET STREET	92102	4
37	5359 - 5389	SANTA MARGARITA STREET	92114	4
38	2381 - 2389	GROVE AVENUE	92154	8
39	1351 - 1359	HOLLISTER STREET	92154	8
40	178 - 190	CALLE PRIMERA	92173	8
41	281 - 289	SYCAMORE ROAD (NORTH)	92173	8
42	391 - 417	SYCAMORE ROAD (WEST)	92173	8
43	2005 - 2065	ALAUQUINAS DRIVE	92173	8
44	7281 - 7289	SARANAC STREET	92115	7
45	8637 - 8643	GLENHAVEN STREET	92123	6
46	8649 - 8655	GLENHAVEN STREET	92123	6
47	8661 - 8667	GLENHAVEN STREET	92123	6
48	8701 - 8707	GLENHAVEN STREET	92123	6
49	8714 - 8720	HURLBUT STREET	92123	6
50	8726 - 8732	HURLBUT STREET	92123	6
51	4560	ALTADENA AVENUE	92115	7
52	4055 - 4083	PULITZER PLACE	92122	1
53	8792	MIRA MESA BOULEVARD	92126	5
54	8816	MIRA MESA BOULEVARD	92126	5
55	5071 - 5077	MUIR AVENUE	92107	2