

REPORT

DATE ISSUED: August 6, 2008

REPORT NO: HCR 08-97

ATTENTION: Chair and Members of the Housing Commission
For the Agenda of August 15, 2008

SUBJECT: Award of Contract for Housing Quality Standards (HQS) and Rent Reasonableness Inspection Services

REQUESTED ACTION:

Award of a contract to the best value responsive bidder in the amount not to exceed \$135,000 for the provision of Housing Quality Standard inspections and Rent Reasonableness determinations.

STAFF RECOMMENDATION:

- 1) That the Housing Commission approve the award of contract to Sterling Companies, Inc. in the amount of \$135,000 for the provision of Housing Quality Standard inspections and Rent Reasonableness determinations, for the period of one-year with one (1) additional one (1) year option to renew at a negotiated rate not to exceed the base contract amount plus the increase in the Consumer Price Index for All Urban Consumers (CPI-U).
- 2) Authorize the Interim President & Chief Executive Officer to execute the contract (Attachment 1).

BACKGROUND:

SDHC owns 1,546 rental units that are eligible to be rented under the Section 8 Voucher Program. Currently, 1,337 of these units are rented by Section 8 voucher holders. The HUD regulations for the Section 8 Program require that SDHC obtain the services of an independent entity to perform the following functions for SDHC owned properties:

- Inspections of units for compliance with the Section 8 Program's Housing Quality Standards
- Determinations that the requested rent meets the Rent Reasonableness criteria in compliance with HUD guidelines.

SDHC is required to conduct three types of inspections: initial "move-in" inspections, annual recertification inspections, and special inspections for Housing Quality Standards issues identified between annual inspections. An inspection that passes requires no further action. When an initial, annual or special inspection fails inspection, a reinspection is required to verify that the fail items have been corrected.

Approval of the contract will allow the Rental Assistance Department to ensure that the required inspections can be accomplished in a timely manner.

FISCAL CONSIDERATIONS:

Funding for this contract is contained in the FY09 Housing Commission budget previously approved by the Housing Commission on April 25, 2008 and the Housing Authority on June 10, 2008.

August 6, 2008

Award of Contract for the Housing Quality Standards (HQS) and Rent Reasonableness Inspection Services
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COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On March 20, 2008 a Request for Proposals was issued for this service. Proposal advertisements were placed in the *San Diego Union Tribune, La Prensa* and *Voice and View Point*.

On April 3, 2008, a pre-proposal conference was conducted with 12 firms in attendance.

At the closing on April 24, 2008, proposals were received from Anthony Taylor Consultants, Parra Building Consultants, Skyline Real Estate Services and Sterling Companies, Inc. On May 14, 2008, the Proposal Evaluation Committee conducted the first round of ranking the proposals based on the following criteria: Staff Qualifications (50%), Scope of Service (25%) and Cost Proposal (25%).

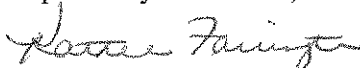
Bidder	Responsive Bidder	Total Score
Anthony Taylor Consultant	No	
Parra Building Consultants	No	
Skyline Real Estate Services	Yes	87.67
Sterling Companies, Inc.	Yes	94.33

On May 30, 2008, the Proposal Evaluation Committee conducted follow-up discussions with Skyline Real Estate Services and Sterling Companies, Inc. regarding qualifications, experience and pricing. Both provided revised pricing proposals as follows:

Price Per Inspection			
Skyline Real Estate Services		Sterling Companies, Inc.	
Type of Inspection	Cost	Type of Inspection	Cost
Annual Inspection	\$35	Annual Inspection	\$31
Initial Inspection	\$35	Initial Inspection	\$36
Reinspection	\$22	Reinspection	\$22
No show	\$22	No show	\$22
Special/Complaint Inspection	\$35	Special/Complaint Inspection	\$22

On June 25, 2008, the Proposal Evaluation Committee completed a second round evaluation of the proposals. Staff analysis indicates that Sterling Companies, Inc. has provided the most advantageous response at the lowest cost and is capable of performing the services.

Respectfully submitted,



Kathee Farrington
Assistant Director, Rental Assistance

Approved by,



Carrol M. Vaughan
Interim President & Chief Executive Officer

Attachments: 1. Contract

Distribution of these attachments may be limited. Copies available for review during business hours at the Housing Commission offices at 1122 Broadway, San Diego, CA 92101, Main Lobby and at the Office of the City Clerk, 202 C Street, San Diego, CA 92101.

SAN DIEGO HOUSING COMMISSION AGREEMENT FOR

Home Inspection Services

WITH

Sterling CO.

(SERVICES, MATERIALS, SUPPLIES OR CONSULTING UNDER \$100,000)

THIS AGREEMENT, entered into this 14th day of July 2008,

Between the COMMISSION:

SAN DIEGO HOUSING COMMISSION
1122 Broadway, Suite 300
San Diego, California 92101
619.578.7711

And the CONTRACTOR:

Sterling Co Inc.
1322 Del Mar Avenue
Vallejo, CA 94589
(503) 277-7555

Is as follows:

101. Specifications and Scope of Services - CONTRACTOR shall provide the following services, supplies and/or materials to the COMMISSION. CONTRACTOR shall, Provide Housing Quality Standard (HQS) inspections for the programs administered by the Commission.

Additional description of work, if any, is contained in Attachment 101.

102. Time of Performance - All services required pursuant to this Agreement shall commence effective July 11, 2008 and continue through June 30, 2009 The original term of this Agreement may be extended on the same terms and conditions of this Agreement for an additional period not to exceed twelve (12) month by a written notice from the Chief Executive Officer of the COMMISSION to the CONTRACTOR, served before the expiration of the original term of the Agreement. This twelve (12) month extension provision is in addition to options, if any, referenced in Attachment 102.

Option(s) to extend, if any, is/are contained in Attachment 102.

103. Compensation and Work Schedule - The total compensation for all services performed and/or materials and goods supplied pursuant to this Agreement shall not exceed the sum of One Hundred and Thirty five Thousand Dollars (\$135, 000.00). CONTRACTOR acknowledges that the COMMISSION is under no obligation to compensate CONTRACTOR for services rendered, goods and materials supplied, or expenses accrued under this Agreement in excess of the maximum compensation specified above. Payment shall be made after submission of invoices and within thirty (30) days of submission, if approved by the COMMISSION.

Attachment 1

Additional compensation terms, if any, are contained in Attachment 103.

104. Contract Requirements. CONTRACTOR agrees to comply with the applicable State and Federal requirements, covenants and conditions (hereinafter "requirements") listed on pages 4, 5, 6 and 7 of this Agreement. Full copies of these are available in the offices of the COMMISSION. If the source of funding for this Agreement is, in whole or in part, from Federal funds, as referenced below, then all of the requirements referenced on pages 4, 5, 6 and 7 shall be applicable. If Federal funds are not used, then the Federal requirements referenced on pages 4, 5, 6 and 7 shall not be applicable, but the remaining requirements shall apply in the execution and performance of this Agreement.

The source(s) of funds for this Agreement is/are: Federal Non-Federal

105. Insurance Requirements - CONTRACTOR shall obtain single limit general liability insurance and automobile liability insurance in the minimum amount checked and initialed below. If nothing is checked or indicated below, the limit shall be One Million Dollars (\$1,000,000).

- None required
- \$300,000.00
- \$1,000,000.00
- \$ _____

Initials _____

Initials _____

This coverage is in addition to Workers Compensation insurance and other insurance coverage required by law. The Housing Authority of the City of San Diego ("AUTHORITY"), the COMMISSION and the City of San Diego ("CITY") shall be named as certificate holders on all insurance policies and shall be named as additional insured on all general liability and automobile policies. The policies shall provide coverage on all policies and may not be canceled, amended, terminated or otherwise modified without thirty (30) days advance written notice to the AUTHORITY, the COMMISSION and the CITY. Coverage shall remain in full force and effect during the entire term of the policy and for such term thereafter as the COMMISSION shall determine.

If the box shown below, marked "Errors and Omissions" is checked and initialed, then professional errors and omissions liability coverage is also required in the amount stated below:

Errors and Omissions \$1,000,000.00

Initials _____

Attachment 1

106. Facsimile Approval by General Counsel. Approval of the form of this Agreement and the attachments, if any, may be in the form of a facsimile approval by General Counsel for the COMMISSION. The approval may be executed in counterpart and attached to the original Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first above written.

COMMISSION:

CONTRACTOR:

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Approved as to Form:

Christensen Schwerdtfeger & Spath, LLP

By: _____

Charles B. Christensen
General Counsel
San Diego Housing Commission

Date

Attachment 1

General Provisions

- 1. Preference for Domestic Materials.** Wherever possible in the performance of this Agreement, only unmanufactured materials produced in the United States, and only manufactured materials manufactured in the United States, manufactured substantially from materials produced in the United States shall be used in the performance of the Agreement. Any person who fails to comply with such provision shall not be awarded any contract to which this article applies for a period of three (3) years from the date of the violation. (GOVT CODE - 4304).
- 2. Preparation of Written Reports or Documents.** Provided that the total cost for work performed by CONTRACTOR exceeds Five Thousand Dollars (\$5,000) and requires preparation of any document or written report prepared for or under the direction of the COMMISSION, which is prepared in whole or in part by CONTRACTOR or its agents, the document or written report shall contain the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of such document or written report. The contract and subcontract numbers and dollar amounts shall be contained in a separate section of such document or written report. (GOVT CODE -7550).
- 3. Equal Opportunity.** During the performance of this Agreement, CONTRACTOR shall comply with all applicable local, State and Federal Equal Opportunity Programs, as well as any other applicable local, state and federal laws. CONTRACTOR shall not discriminate against any person, employee or applicant for employment, or otherwise, because of race, color, religion, ancestry, gender, disability, national origin, or any other basis prohibited by law. CONTRACTOR shall ensure that applicants for employment and employees are treated equally without regard to their race, color, religion, ancestry, gender, disability, national origin, or any other illegal classification. (GOVT CODE 12990).
- 4. Notice of Regulations and Requirements Pertaining to Reporting.** CONTRACTOR's performance under this Agreement is subject to State and Federal regulations. CONTRACTOR hereby agrees to comply with all applicable requirements pertaining to reports or documentation required under the terms of this Agreement, if any.
- 5. Contract Work Hours and Safety Standards Act.** In the event CONTRACTOR's performance of this Agreement entails the use of laborers or mechanics, and the Agreement is for more than the sum of \$2,500, and uses Federal funds, then CONTRACTOR shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40USC 327-339) as supplemented by Department of Labor regulations (29CFR Part 5).
- 6. Patents and Copyrights.** The COMMISSION hereby reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for government purposes any patents and/or copyrights in any work developed under this Agreement. The COMMISSION shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials, and documents discovered or produced by CONTRACTOR pursuant to the terms of the Agreement, including, but not limited to, reports, memoranda or letters concerning the research and reporting tasks of the Agreement.
- 7. Access to and Retention of Records.** CONTRACTOR hereby grants access to "HUD", the United States Department of Housing and Urban Development, the Comptroller General of the United States, the CITY, the AUTHORITY, COMMISSION, or their duly authorized representatives, to any books, documents, papers and records of the CONTRACTOR which are directly pertinent to this specific Agreement for the purposes of audits, examinations, excerpts and transcriptions. CONTRACTOR agrees to retain any such records and documents for three (3) years from the date of final payment under this Agreement.
- 8. Energy Conservation.** Provided this Agreement uses Federal funds, CONTRACTOR hereby certifies compliance with the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).
- 9. Termination for Cause or Convenience.** COMMISSION may terminate this contract in whole, or from time to time in part, for COMMISSION's convenience or the failure of CONTRACTOR to fulfill the contract obligations (cause/default). COMMISSION shall terminate by delivering to the CONTRACTOR a written notice of termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, CONTRACTOR shall: (1) immediately discontinue all services affected (unless the notice directs otherwise) and (2) deliver to COMMISSION all information, reports, papers, and other materials accumulated or generated in performing the Agreement, whether completed or in process. If the termination is for COMMISSION's convenience, COMMISSION shall be liable only for payment for services rendered before the effective date of termination. If the termination is due to the failure of CONTRACTOR to fulfill its obligations under the Agreement, COMMISSION may (1) require CONTRACTOR to deliver to it, in the manner and to the extent directed by the COMMISSION, any work described in the notice of termination; (2) take over the work and prosecute the same to completion by contractor or otherwise, and CONTRACTOR shall be liable for any additional cost incurred by COMMISSION; and (3) withhold any payments to CONTRACTOR, for the purpose of set-off or partial payment, as the case may be, of amounts owed CONTRACTOR by COMMISSION. In the event of termination for cause or default, COMMISSION shall be liable to CONTRACTOR for reasonable costs incurred by CONTRACTOR before the effective date of the termination. This Agreement may be terminated without notice, by the COMMISSION, upon the cessation of funding of the state, local or federal program, which funds this Agreement.
- 10. Status of CONTRACTOR.** This Agreement calls for the performance of the services, work and/or supplying goods and/or materials by the CONTRACTOR as an independent CONTRACTOR. CONTRACTOR will not be considered an employee of the COMMISSION for any purpose.
- 11. Conflict of Interest.** For the duration of this Agreement, the CONTRACTOR will not act as a consultant or perform services of any kind for any person or entity which would conflict with the services to be provided herein, or place the CONTRACTOR in positions adverse, hostile or incompatible with the interests of the COMMISSION, the AUTHORITY, or the CITY.
- 12. CONTRACTOR's Liability.** CONTRACTOR shall be responsible for all injuries to persons and for all damages to real or personal property of the COMMISSION or others, caused by or resulting from the negligence of itself, its employees, or its agents during the progress of or connected with the rendition of services hereunder. CONTRACTOR shall indemnify and hold harmless the COMMISSION, AUTHORITY, CITY, and all officers and employees of each agency from and against any and all liability, claims, costs (including reasonable attorney's fees), damages, expenses and causes of action for damages to real or personal property, or personal injury to any person(s) resulting, in whole or in part, from the negligence of CONTRACTOR, its employees or its agents; or for any breach of any obligations, duties or covenants of CONTRACTOR under this Agreement or transactions related to it.
- 13. Subcontracting/Assignability.** No services or work covered by this Agreement may be subcontracted, nor may any interest in this Agreement be assigned or transferred (whether by assignment or notation) without the prior written approval of the COMMISSION.

Attachment 1

14. Insurance. CONTRACTOR shall maintain all insurance required by State and Federal law, including, but not limited to, Worker's Compensation, public liability and property damage insurance, and automobile liability insurance as referenced in Section 105, hereof. The COMMISSION shall be named as an additional insured on all policies and shall receive thirty (30) days advance notice prior to the cancellation of or amendment to any such policies. The COMMISSION, AUTHORITY, and CITY, shall be named as certificate holders on all insurance policies and shall be named as additional insured on all general liability and automobile policies. The policies shall provide that coverage on all policies may not be canceled, amended, terminated or otherwise modified without thirty (30) days advance written notice to the COMMISSION, AUTHORITY, and CITY. Coverage shall remain in full force and effect during the entire term of the policy and for such term thereafter as the COMMISSION shall determine.

15. Agreement Governed by Law of State of California. This Agreement and its performance and all suits and special proceedings under this Agreement shall be construed in accordance with the laws of the State of California and the United States of America.

16. Interest of Member of Congress. No member or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share, or part of this Agreement, or to any benefit to arise there from, but this provision shall not be construed to extend to this Agreement if made with a corporation for its general benefit.

17. Interest of Current or Former Members, Officers, Employees. No member, officer or employee of the COMMISSION, no member of the governing body of the locality in which the work is situated, no member of the governing body in which the COMMISSION was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the assignment of work, shall, during his or her tenure, or for one (1) year thereafter, have any interest, direct or indirect, in this Agreement or the proceeds thereof. Any violation of this section shall result in unilateral and immediate termination of this Agreement by the COMMISSION.

18. Drug-free Workplace. CONTRACTOR shall certify to the COMMISSION that it will provide a drug-free workplace and will comply with all State and Federal requirements pertaining to maintenance of a drug-free workplace.

19. HUD Section 3 Agreement Clauses (if Agreement funded with Federal funds and as applicable).

(a) The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

(b) The parties to this Agreement agree to comply with HUD's regulations in 24 CFR parts 135, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

(c) The CONTRACTOR agrees to send to each labor organization or representative of workers with which the CONTRACTOR has a collective bargaining Agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the CONTRACTOR's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

(d) The CONTRACTOR agrees to include the Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The CONTRACTOR will not subcontract with any subcontractor where the CONTRACTOR has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR parts 135.

(e) The CONTRACTOR will certify that any vacant employment positions, including training positions, that are filled (1) after the CONTRACTOR is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the CONTRACTOR's obligations under 24 CFR part 135.

(f) Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

(g) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment subcontracts shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

20. 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, or an employee of a Member 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 Contract, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative Contract;

(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 Agreement, grant, loan or cooperative Contract, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;

Attachment 1

(c) CONTRACTOR will require that the above stated language be included in the award documents for all sub-awards at all tiers, including sub-contracts, sub-grants, loans, contracts, and cooperative Contracts concerning the subject matter of this Agreement; and

(d) Further, CONTRACTOR and all sub-recipients, 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.

21. Entire Agreement. This Agreement represents the sole and entire Agreement between the COMMISSION and CONTRACTOR and supersedes all prior negotiations, representations, Agreements, arrangements or understandings, either oral or written, between or among the parties hereto, relating to the subject matter of this Agreement, which are not fully expressed herein. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both the COMMISSION and CONTRACTOR.

22. Attorneys' Fees and Costs. The prevailing party in litigation for the breach and/or interpretation and/or enforcement of the terms of this Agreement shall be entitled to their expert witness fees, if any, as part of their costs of suit, and reasonable attorney's fees as may be awarded by the court, pursuant to California Code of Civil Procedure ("C.C.P.") Sections 1717, 1032, 1033 and 1033.5 and any other applicable provisions of California law, including, without limitation, the provisions of C.C.P. Section 998.

23. Disputes. Provided that any source of funds for this Agreement is obtained from Federal sources, then this Agreement shall be subject to the Contract Disputes Act of 1978, as amended, (41U.S.C. 601-613), and except as expressly otherwise provided in the Act, all disputes arising under or relating to this Agreement shall be resolved under the terms of this clause by litigation in State Court. If this Agreement is solely funded from Non-Federal funds, then all disputes shall be resolved by litigation in San Diego County Superior Court, Downtown Branch, after first attempting resolution of the dispute through non-binding mediation.

23. Procurement of Recovered Materials (if Agreement funded with Federal funds and as applicable). In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, CONTRACTOR shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. CONTRACTOR shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless CONTRACTOR determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price. This clause shall apply to items purchased under this Agreement where: (1) CONTRACTOR purchases in excess of \$10,000 of items for use under this Agreement; or (2) during the preceding Federal fiscal year, CONTRACTOR: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

24. Labor Provisions. It is the responsibility of the CONTRACTOR and the CONTRACTOR shall be fully aware of and shall comply with each and every requirement of State, Federal and Local law concerning the provision of labor concerning this Agreement, including but not limited to, the payment of applicable wage rates, if any.

25. Notices. Notices to the parties shall, unless otherwise requested in writing, be sent to the COMMISSION and the CONTRACTOR at the addresses stated on page 1.

ATTACHMENT SECTION 101

SPECIFICATIONS AND SCOPE OF SERVICES

When, and as directed by the COMMISSION, the CONTRACTOR shall provide the following:

- Prior the start of this engagement and as requested by the Commission during the entire term of this engagement provide a copy of the Housing Quality Standard certification for all inspectors assigned to the Commission.
- Performance of Commission scheduled inspections averaging approximately 15 Annual Inspections per day to include No Show Inspections and Re-inspections (initials, annuals, specials). In the event the daily average fails to meet 15 inspections per day the Contractor will use the weekly average for billing purposes.
- Performance of Commission scheduled inspections averaging approximately 10 Initial Inspections per day to include No Shows. In the event the d daily average fails to meet 10 inspections per day the Contractor will use the weekly average for billing purposes.
- Ensure all inspectors assigned to this engagement attend training specific to the Commission. The training will be facilitated by the commission.
- Ensure Inspectors for this engagement have acceptable criminal background checks and are bonded.
- Provide a sufficient number of trained/Advanced Housing Inspection certified inspectors as required to meet the needs of this engagement.
- Provide a replacement inspector if for any reason the Commission request current inspector be replaced. Contractor must provide the new inspector with in two (2) business days of notification from the Commission. All inspectors are required to have and provide proof of Housing Quality Standards Certification.
- In the event a “regularly assigned” inspector becomes temporarily unavailable the contractor must notify the Commission immediately and provide a back-up inspector within one (1) business day. All inspectors are required to have and provide proof of Housing Quality Standards Certification.
- Complete/Perform the full scope of (Housing Quality Standard) HQS inspections including but not limited to initial, annual, special and re-inspections. The inspections are to be completed following the most current Department of Housing and Urban Development (HUD) guidelines, approved addendums as listed in the administrative plan of the Commission, and as directed by Commission staff.
- Complete administrative functions required for the scheduling and notification to tenants and the Commission as needed.

Attachment 1

- In accordance with Commission policies and procedures, use the most current database of comparables provided and maintained by the Commission, to determine and document that the rent requested by the landlord is reasonable in comparison to rent for other comparable unassisted units in the open market.
- Fully execute and deliver daily to the Commission form HUD-52580-A, for each inspection performed. Forms should be filled out as directed by the housing commission.
- Work days for this engagement will be from Monday thru Saturday or as directed by the Commission. Working hours for this engagement shall be as directed by the Commission.

Indicate Approval by Initials Below:

COMMISSION _____

CONTRACTOR _____

General Counsel _____

ATTACHMENT SECTION 102

**TIME OF PERFORMANCE
ADDITIONAL TERMS OF THE CONTRACT**

The COMMISSION may, at its election, extend this Agreement's term for one (1) twelve (12) month term(s), by giving written notice of the election to extend the Agreement to the CONTRACTOR, in advance of the expiration of the prior term of the Agreement. The Compensation to be paid the CONTRACTOR during the extended term, if any, shall be compensation set during the base year of the Agreement.

PROGRESS REPORTS AND MEETINGS

Throughout the engagement the Contractor shall prepare and submit to the Director of the Rental Assistance Department and the Inspections Coordinator a monthly report, succinctly written and directly pertinent only to the work performed for this engagement. The report shall be submitted within three (3) days of the conclusion of the monthly period. The reports shall provide the following information under the headings shown:

Date Inspection Scheduled	Type of Inspection Scheduled	Inspection Results (Pass; Fail; No Show)	Inspection Notes	Inspector Performing Inspection

Reports are critical to effective monitoring of engagement progress, and they are to be the primary means of disclosing work progress and results. Reports considered inadequate by the Director of the Rental Assistance Department will be returned to the Contractor for re-submission within three (3) working days.

Nothing contained in this Section 102 shall require the COMMISSION to exercise any or all of the options to extend the term of the Agreement. The options exist in favor of the COMMISSION, at its sole option. All other terms and conditions of the Agreement during the option period(s) shall be as set forth in the Agreement and shall be un-amended by the exercise of any option granted herein. The options granted herein are in addition to the twelve (12) month option to extend set forth in Section 102 on Page 1. This continuation of the time for performance provision is in addition to the provisions set forth in Page 1 of this Agreement and is expressly incorporated into the Agreement.

ATTACHMENT SECTION 103
COMPENSATION AND WORK SCHEDULE

COMMISSION shall pay CONTRACTOR for the services to be performed hereunder; CONTRACTOR shall submit an invoice to the COMMISSION specifying the amount due for the services performed by the CONTRACTOR. Payment shall be made monthly, following acceptance of monthly reporting by the Director of the Rental Assistance Department of satisfactory products and progress. Inspection reports are considered prescribed products. The determination of whether products are satisfactory is at the sole discretion of the Director or the Rental Assistance Department

Invoices shall be directed to the following:

San Diego Housing Commission
Attn: Renae Rodas
1122 Broadway, Suite 300
San Diego, CA 92101

and emailed to:

Kathee Farrington
katheef@sdhc.org.

Invoices for payment shall contain written documentation from the CONTRACTOR certifying that the payment requested is for work performed in accordance with the provisions of the Agreement. Invoices will be submitted monthly and will:

- (1) Describe the services performed in detail.
- (2) Indicate the dates and locations worked to perform such services.

Pricing:

Type of Inspection	Cost
Initial	36.00
Annual	31.00
Re-Inspection	22.00
No Show	22.00
Special	22.00

Indicate Approval by Initials Below:

COMMISSION _____
CONTRACTOR _____
General Counsel _____