

**SUBMITTAL TO THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

453



FROM: Housing Authority

SUBMITTAL DATE:

June 21, 2012

SUBJECT: Affordable/Infill Single-Family Residential Development – Award of Construction Contract

RECOMMENDED MOTION: The Board of Commissioners:

1. Accept and award the construction contract to the lowest responsive and responsible bidder, Cordoba Construction Corp., in the amount of \$247,800 for the construction of one single-family residential dwelling located at 5580 Molino Way, Jurupa Valley, CA 92509;
2. Authorize the Chairman of the Board of Commissioners to sign the contract documents on behalf of the Housing Authority of the County of Riverside (HACR);

(Continued)

Robert Field

Robert Field
Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 302,580	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: No

SOURCE OF FUNDS: Housing Authority of the County of Riverside Development Division Funds and Redevelopment Property Tax Trust Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

Jennifer L. Sargent
BY: Jennifer L. Sargent

County Executive Office Signature

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: *Samuel Wong* 6/21/12
 SAMUEL WONG
 Departmental Consultant
 FORM APPROVED COUNTY COUNSEL
 BY: *Marshall Victor* 6/12/12
 MARSHALL L. VICTOR
 DATE

Dept't Recomm.: Consent
 Per Exec. Ofc.: Consent
 Policy
 Policy

Prev. Agn. Ref.:

District: 2/2

Agenda Number:

10.3

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

RECOMMENDED MOTION: (Continued)

3. Approve the total project budget of \$302,580;
4. Authorize the Executive Director/EDA, or designee, to administer the contract;
5. Direct the Successor Agency to submit this item for approval at the next Oversight Board meeting; and
6. Authorize the submittal to the Oversight Board for the Successor Agency to appropriate the use of funds.

BACKGROUND:

The Housing Authority of the County of Riverside (HACR) owns a vacant parcel of land located at 5580 Molino Way, Jurupa Valley, CA 92509 with Assessor's Parcel Number (APN) 181-082-050. The real property was purchased for One Dollar from the Redevelopment Agency for the County of Riverside (RDA) in 2011. On May 10, 2011, the Board of Commissioners (BOC) approved a Disposition and Development Agreement (DDA) between the Redevelopment Agency for the County of Riverside and the HACR. The DDA included funding in the amount of \$173,000 for the construction of a new single-family dwelling that will create affordable homeownership opportunities and facilitate infill residential development. The affordability covenant will restrict occupancy to low and moderate-income owner-occupants for a minimum period of 45 years. The DDA was approved and entered into May 10, 2011, prior to the enactment of ABx1 26, the Assembly Bill dissolving redevelopment agencies that was signed by Governor Brown as of June 29, 2011. The DDA was recorded on September 28, 2011, as Instrument No. 2011-0429589 in the Official Records of Riverside County.

The HACR advertised an Invitation for Bids (IFB) for the construction of one single-family residential development approximately 2295 square feet with a closing date of April 3, 2012. The Housing Authority received and opened six bids. Cordoba Construction Corp. was the lowest bidder that responded to the solicitation. County Counsel and staff reviewed the submitted bid and determined that Cordoba Construction Corp., as the lowest responsive and responsible bidder.

The funding source is from the HACR's Development Division Fund and former Redevelopment Housing Bond proceeds and does not involve the use of county general funds. This item is shown on the Recognized Obligation Payment Schedule (ROPS) and is listed as "Molino Way Infill Housing Project".

Staff recommends that the Board of Commissioners approve and award the construction contract to Cordoba Construction Corp., in the amount of \$247,800, and approve the construction project budget as follows:

Inspections & Fees	\$ 20,000
Utilities & Miscellaneous	\$ 10,000
Construction	\$ 247,800
Contingency (10%)	\$ 24,780
Total:	\$ 302,580

(Continued)

BACKGROUND: (Continued)

The project is exempt from the provisions of the California Environmental Quality Act (CEQA) per Section 15303 (a) of the California Code of Regulations. Section 15303 (a) allows for the exemption of new construction of single-family homes within a residential zone. A Notice of Exemption was filed with the County Clerk on May 20, 2011, for the 30-day public review period. The project has therefore complied with the provisions of CEQA and no additional environmental analysis is required.

Additionally, pursuant to ABx1 26, the redevelopment dissolution bill, the BOS adopted Resolution No. 2012-035 on January 10, 2012, which designated the HACR as the Successor Agency (SA) for the redevelopment housing function. On the same date, the BOC accepted, via adoption of Resolution No. 2012-001, the responsibility for performing all activities as the successor to the redevelopment housing function. On February 1, 2012, all California redevelopment agencies were eliminated and the HACR assumed the function of the SA.

Attachments:

1. Performance Bond
2. Payment Bond
3. Certificate of Insurance
4. Construction Contract

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CONSTRUCTION CONTRACT
BY AND BETWEEN
HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE
AND CORDOBA CONSTRUCTION CORP.
FOR 5580 MOLINO WAY, JURUPA VALLEY, CA 92509

This CONTRACT is made by and between the Housing Authority of the County of Riverside, a body corporate and politic, hereinafter referred to as the "AUTHORITY," and Cordoba Construction Corp., hereinafter referred to as "CONTRACTOR."

WITNESSED that the AUTHORITY and the CONTRACTOR, for the consideration stated herein, mutually agree as follows:

- A. The AUTHORITY is the owner of a certain real property located in the County of Riverside, commonly known as **5580 Molino Way, Jurupa Valley, CA 92509**, hereinafter referred to as "PROPERTY."
- B. The term "WORK," includes performance, as set forth in the Contract Documents by the CONTRACTOR, of all work or improvements on, in and about the PROPERTY.
- C. AUTHORITY desires the CONTRACTOR to perform the WORK on the terms and conditions hereinafter set forth, and CONTRACTOR agrees to perform said WORK on the terms and conditions set forth below.

ARTICLE 1

THE CONSTRUCTION CONTRACT

1.1 The "Construction Contract" means and includes all of the "Contract Documents." The Contract Documents which form the Construction Contract are incorporated herein by this reference and are made a part of this Construction Contract as if fully set forth herein. The Contract Documents consist of the following component parts:

- 1. Invitation for Bids
- 2. Bid Proposal, including:

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- a. The Bid
 - b. Non-Collusive Affidavit
 - c. Designation of Subcontractors
3. Payment and Performance Bonds
 4. Davis-Bacon Prevailing Wage Decision No. **CA120028 Mod 3 (03/30/2012)**
CA28
 5. General Conditions for Construction Contracts, Public Housing Programs HUD-5370 (11/2006)
 6. Special Conditions
 7. Drawings and photographs
 8. Specifications
 9. Addenda

ARTICLE 2

STATEMENT OF WORK

2.1 Scope of Services

CONTRACTOR shall furnish all labor, material, equipment and services and perform and complete all WORK required for the project identified as **Affordable/In-Fill Single Family Residential Development located at 5580 Molino Way, Jurupa Valley, CA 92509** for the AUTHORITY. CONTRACTOR shall perform all services Monday - Friday, 7:30a.m. to 5:30p.m.

- i. The full scope of WORK is more particularly described on the approved plans and specifications in Exhibit "A," attached hereto and incorporated by this reference.
- ii. All such WORK shall be in strict accordance with the specifications and addenda thereto and the drawings included therein, all as prepared by the AUTHORITY, which said specifications and drawings are incorporated herein by reference and made a part hereof.

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1 2.2 Data provided in the specifications and drawings are believed to actually depict the
2 conditions to be encountered by the CONTRACTOR, but the AUTHORITY does not guarantee
3 such data as being all-inclusive or complete in any respect. Nothing contained herein shall
4 relieve CONTRACTOR from making any and all investigations he/she may deem necessary to
5 apprise him/herself of the WORK. CONTRACTOR hereby accepts the location of the
6 PROJECT in an "as is" condition and herein warrants that all such investigations have been
7 performed by him/her, and hereby expressly waives any and all rights under this Construction
8 Contract, or in law, to additional compensation and/or time adjustments for alleged unknown
9 subsurface and/or latent conditions.

10 ARTICLE 3

11 TIME OF COMMENCEMENT AND COMPLETION

12 3.1 The WORK to be performed under this Construction Contract shall commence within
13 ten (10) days after a Notice to Proceed is received by the CONTRACTOR, or on the date
14 specified in the Notice, whichever is later, and shall be completed within **one hundred and**
15 **fifty (150) calendar days** following the date of said Notice to Proceed.

16 3.2 Liquidated Damages

17 a. If the CONTRACTOR fails to complete the WORK within the time specified in the
18 Contract, or any extension, as specified in the clause entitled Default of this Contract, the
19 CONTRACTOR shall pay to the AUTHORITY as liquidated damages, the sum of **Three**
20 **Hundred and 00/100 Dollars (\$300.00)** for each day of delay. If different completion dates are
21 specified in the contract for separate parts or stages of the WORK, the amount of liquidated
22 damages shall be assessed on those parts or stages which are delayed. To the extent that the
23 CONTRACTOR's delay or nonperformance is excused under another clause in this Contract,
24 liquidated damages shall not be due the AUTHORITY. The CONTRACTOR remains liable for
25 damages caused other than by delay.

26 b. If the AUTHORITY terminates the CONTRACTOR's right to proceed, the
27 resulting damage will consist of liquidated damages until such reasonable time as may be
28 required for final completion of the WORK together with any increased costs occasioned the

1 AUTHORITY in completing the WORK.

2 c. If the AUTHORITY does not terminate the CONTRACTOR's right to proceed, the
3 resulting damage will consist of liquidated damages until the WORK is completed or accepted.

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5 **ARTICLE 4**

6 **CONTRACT SUM**

7 4.1 The AUTHORITY shall pay the CONTRACTOR for the performance of the Contract,
8 subject to the additions and deductions by Change Order(s) as provided in the Contract
9 Documents, in current funds, the sum of **Two Hundred Forty Seven Thousand Eight**
10 **Hundred and 00/100 Dollars (\$247,800.00).**

11 a. All Contracts for construction, alteration, repair and painting, in excess of \$2,000,
12 in which federal funds are used, shall be subject to Davis-Bacon prevailing wage laws.
13 CONTRACTOR represents and warrants that he/she shall pay his/her employees and all
14 individuals performing work, not less than the prescribed prevailing wage rate by the U.S.
15 Department of Labor or the California State Department of Industrial Relations, whichever is
16 higher. Prevailing wage rates are amended from time to time, and the most current wage
17 decision is always available from the AUTHORITY. CONTRACTOR shall abide by the
18 Federal Labor Standards Provisions (HUD-5370).

19 4.2 The Contract Sum set forth herein includes the payment by CONTRACTOR of all sales
20 and use taxes required by any local codes, or any law existing or which may hereafter be
21 adopted by federal, state or governmental authority, taxing the materials, services required or
22 labor furnished, and of any other tax levied by reason of the WORK to be performed hereunder.

23 4.3 The Contract Sum is not subject to escalation, the CONTRACTOR having satisfied
24 himself/herself with said Contract Price which includes all labor and material increases
25 anticipated throughout the duration of this Construction Contract.

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1 **ARTICLE 5**

2 **PROGRESS PAYMENTS**

3 5.1 Based upon Applications for Payment submitted by the CONTRACTOR to the
4 AUTHORITY, and certificates for payment issued by the CONTRACTOR, the AUTHORITY
5 shall make progress payments on account of the Contract Sum to the CONTRACTOR, as
6 provided in the General Conditions of the Construction Contract.

7 5.2 Approved applications for progress payment will be paid by the 30th day of each month,
8 provided that application for payment has been submitted to the AUTHORITY on or before the
9 first working day of the month.

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11 **ARTICLE 6**

12 **INDEMNIFICATION AND HOLD HARMLESS**

13 6.1 CONTRACTOR shall indemnify and hold harmless the AUTHORITY, County of
14 Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors,
15 officers, Board of Supervisors, elected and appointed officials, employees, agents and
16 representatives (individually and collectively hereinafter referred to as Indemnitees) from any
17 liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers,
18 employees, subcontractors, agents or representatives arising out of or in any way relating to this
19 Contract, including but not limited to property damage, bodily injury, or death or any other
20 element of any kind or nature whatsoever arising from the performance of CONTRACTOR, its
21 officers, employees, subcontractors, agents or representatives Indemnitors from this Contract.
22 CONTRACTOR shall defend at its sole expense, all costs and fees including, but not limited to,
23 attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any
24 claim or action based upon such alleged acts or omissions.

25 6.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR,
26 CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and
27 shall have the right to adjust, settle, or compromise any such action or claim without the prior
28 consent of AUTHORITY; provided, however, that any such adjustment, settlement or

1 compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification
2 to Indemnitees as set forth herein.

3 6.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has
4 provided AUTHORITY the appropriate form of dismissal relieving AUTHORITY from any
5 liability for the action or claim involved.

6 6.4 The specified insurance limits required in this Contract shall in no way limit or
7 circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees
8 herein from third party claims.

9 6.5 In the event there is conflict between this clause and California Civil Code Section 2782,
10 this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not
11 relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by
12 law.

13 **ARTICLE 7**

14 **PROJECT CLOSEOUT**

15 7.1 Prior to completion of the PROJECT, the AUTHORITY shall receive a certificate from
16 the CONTRACTOR that such portion of the PROJECT is ready for use and shall cause a Notice
17 of Completion to be issued. A Notice of Completion shall be issued only when the WORK,
18 including all phases thereof, is finally completed, and all requirements of this contract have
19 been satisfied. The AUTHORITY shall cause the Notice of Completion to be recorded in the
20 office of the County Recorder.

21 7.2 After recordation of the Notice of Completion, and expiration of the thirty (30) day
22 period for filing of stop notices, the AUTHORITY shall settle all claims and disputes, notify the
23 CONTRACTOR of final acceptance of the project, and make final payment of the entire unpaid
24 balance of the Contract Sum, including the ten percent (10%) retention, less any amounts which
25 the AUTHORITY is entitled to receive from the CONTRACTOR under the terms of this
26 Contract, including liquidated damages.

27 7.3 In addition to all other requirements, a Notice of Completion shall be issued only when
28 the AUTHORITY has received the following:

- 1 a. A Certificate of Completion, executed by the AUTHORITY.
- 2 b. All guarantees and warranties issued by the manufacturers or installers of
- 3 appliances or other component parts of the project. CONTRACTOR guarantees
- 4 that the equipment, materials, and workmanship, not otherwise covered by a
- 5 guarantee or warranty, will be free from defects in materials and workmanship
- 6 for a period of one year following final acceptance of the project.
- 7 c. The waiver and release of all liens, claims of liens, or stop notice rights of the
- 8 CONTRACTOR and all subcontractors, and the CONTRACTOR's Certificate
- 9 and Release.
- 10 d. Verification from the AUTHORITY that CONTRACTOR has removed all waste
- 11 materials, rubbish, tools, construction equipment, machinery, and surplus
- 12 materials from the project site. If the CONTRACTOR has failed to remove any
- 13 of such items, the AUTHORITY may remove such items, and the
- 14 CONTRACTOR shall pay the AUTHORITY for all costs incurred in connection
- 15 with such removal.
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17 **ARTICLE 8**

18 **BREACH AND TERMINATION**

19 8.1 Waiver by AUTHORITY of any breach of this Construction Contract shall not

20 constitute a waiver of any other breach or of any future breach. No payment made hereunder

21 shall be construed to be an acceptance of defective WORK or improper materials.

22 8.2 In addition to any right of termination reserved to the AUTHORITY by paragraph 34 of

23 the General Conditions of the Construction Contract, the AUTHORITY may terminate this

24 contract if the CONTRACTOR is adjudged bankrupt, a receiver is appointed because of the

25 CONTRACTOR's insolvency, or the CONTRACTOR makes a general assignment for the

26 benefit of his/her creditors, fails to make prompt payment to subcontractor(s), or for material or

27 labor, persistently disregards laws, ordinances, rules, regulations or orders of any public

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1 authority having jurisdiction, fails to construct the project in accordance with the Drawings and
2 Specifications, or otherwise substantially violates any provision of the Contract documents.

3 8.3 The AUTHORITY shall give the CONTRACTOR and his surety five (5) days written
4 notice prior to terminating this Contract, pursuant to this section, provided, however, that the
5 CONTRACTOR shall, upon receipt of such notice, immediately stop the installation of
6 improvements, or other permanent construction work encompassing part of the PROJECT.
7 Upon termination, the AUTHORITY may take possession of the PROJECT and all materials,
8 equipment, tools, and construction equipment and machinery owned by the CONTRACTOR
9 and located at the PROJECT Site and may finish the PROJECT by whatever method it may
10 deem expedient. In such case, the CONTRACTOR shall not be entitled to receive any further
11 payment under this Contract.

12 8.4 The AUTHORITY shall not be deemed to have waived any of its other rights of
13 remedies against the CONTRACTOR by exercising its right of termination under this section.

14 8.5 Any action at law or in equity brought by either of the parties hereto for the purpose of
15 enforcing a right or rights provided for by this Contract shall be tried in a court of competent
16 jurisdiction in the County of Riverside, State of California, and the parties hereby waive all
17 provisions of law providing for a change of venue in such proceedings to any other county.

18 19 **ARTICLE 9**

20 **MISCELLANEOUS PROVISIONS**

21 9.1 CONTRACTOR shall give all notices and comply with all laws, rules, regulations,
22 ordinances and orders of any governmental entity relating to the WORK.. Should
23 CONTRACTOR become aware that any provisions of the Construction Contract is at variance
24 with any such rule, law, regulation, ordinance or order, he/she shall promptly give notice in
25 writing to the AUTHORITY of such variance.

26 9.2 It is hereby declared to be the intention of the parties that the sections, paragraphs,
27 sentences, clauses and phrases of this Contract are severable, and if any phrase, clause,
28 sentence, paragraph or section of this Contract shall be declared unconstitutional, invalid or

1 unenforceable by the valid judgment or decree of a court of competent jurisdiction, such
2 unconstitutionality, invalidity or unenforceability shall not affect any of the remaining clauses,
3 sentences, paragraphs and sections of this Contract.

4 9.3 In the event of any conflict between this Construction Contract and provisions of the
5 General Conditions of the Contract, the provisions in the Construction Contract shall govern. In
6 case of difference between the Technical Specifications and the Drawings, the Technical
7 Specifications shall govern. In case of any difference between the Special Conditions and other
8 provisions of the Construction Contract, or the Contract Documents, the provisions of the
9 Special Conditions shall govern. In the event of difference between the Contract or General
10 Conditions or Special Conditions or Technical Specifications or General Requirements, the
11 former documents shall govern.

12 9.4 The persons executing this Contract on behalf of the parties warrant and represent that
13 they have the authority to execute this Contract on behalf of each respective party and further
14 warrant and represent that they have the authority to bind each respective party to the
15 performance of its obligation hereunder.

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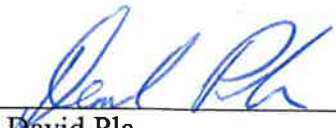
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1 IN WITNESS WHEREOF, the parties hereto have caused their duly authorized
2 representatives to execute this Construction Contract this ____ day of _____, 2012.

3 (to be filled in by Clerk of the Board)

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6 **Housing Authority of the County of Riverside Contractor**

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9 _____
10 John Tavaglione, Chairman
11 Board of Commissioners

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14 _____
15 By: David Pla
16 Its: President
17 License # 547953

18 **Attest:**
19 Kecia Harper-Ihem
20 Clerk of the Board

21 _____
22 Deputy

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24 **Approved As To Form:**
25 Pamela J. Walls
26 County Counsel

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Deputy

EXHIBIT "A"
Scope of Services

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