

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

107



FROM: Housing Authority

SUBMITTAL DATE:
June 16, 2011

SUBJECT: Award of Construction Contract for Installation of 57 On Demand Water Heaters

RECOMMENDED MOTION: The Board of Commissioners:

1. Approve the attached Construction Contract with D. Webb, Incorporated in the amount of \$127,640 for the installation of On Demand Water Heaters at the public housing developments located at 87015-87045 Church Street and 56640-56680 Polk Street, Thermal, CA 92274 (Thermal I), as well as, 56690-56720 Polk Street, Thermal, CA 92274 (Thermal II);
2. Authorize the Chairman of the Board to execute the attached construction contract with D. Webb, Incorporated; and

(Continued)

Lisa Brandl for
Robert Field
Executive Director
By Lisa Brandl, Managing Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 127,640	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: N/A

SOURCE OF FUNDS: Department of Housing and Urban Development (HUD), Capital Fund Program	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: *Jennifer L. Sargent*
Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE HOUSING AUTHORITY BOARD OF COMMISSIONERS

On motion of Commissioner Buster, seconded by Commissioner Stone and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit, and Ashley
Nays: None
Absent: None
Date: June 28, 2011

xc: Housing Authority, Auditor

Kecia Harper-Ihem
Clerk of the Board
By: *[Signature]*
Deputy

FISCAL PROCEDURES APPROVED
PAUL ANGUILO, CPA, AUDITOR-CONTROLLER
BY: *[Signature]* DATE: 6/17/11
FORM APPROVED COUNTY COUNSEL
BY: *[Signature]* DATE: 6/2/11
MARSHA L. VICTOR

Dep't Recomm.: Consent Policy Policy

Per Exec. Ofc.: Consent Policy Policy

(Rev 08/2010)

RECOMMENDED MOTION: (Continued)

3. Authorize the Executive Director or designee to take the necessary steps to implement the contract including execution of necessary and related documents.

BACKGROUND:

The Housing Authority advertised an Invitation to Bid for the removal of 57 traditional water heaters and replacement with on demand water heaters at the Public Housing Development located at 87015-87045 Church Street and 56640-56680 Polk Street, Thermal, CA 92274 (Thermal I), as well as, 56690-56720 Polk Street, Thermal, CA 92274 (Thermal II) with a closing date of May 10, 2011. The Housing Authority received two sealed bids:

1.	D. Webb, Incorporated	\$127,640
2.	Gibraltar Construction, Incorporated	\$272,422

County Counsel reviewed and approved as to form the lowest bid submitted by D. Webb, Incorporated. Funding for this project is provided through (HUD) Capital Fund Program. Staff recommends award of the construction contract.

CONSTRUCTION AGREEMENT

BY AND BETWEEN

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

AND D. WEBB, INC. FOR THE INSTALLATION OF ON

DEMAND WATER HEATERS AT THE PUBLIC HOUSING

DEVELOPMENTS (THERMAL I) & THERMAL II)

This AGREEMENT made by and between the Housing AUTHORITY of the County of Riverside, a body corporate and politic, hereinafter referred to as the "AUTHORITY", and D. Webb Incorporated, hereinafter referred to as the "CONTRACTOR."

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

A. The AUTHORITY is the owner of those certain real properties, located in the County of Riverside, commonly known as the **87015-87045 Church Street and 56640-56680 Polk Street, Thermal, CA 92274 (Thermal I) and 56690-56720 Polk Street, Thermal, CA 92274 (Thermal II)**, hereinafter referred to as the "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

1 reference and are made a part of this Construction Contract as if fully set forth herein. The
2 Contract Documents consist of the following component parts:

- 3 1. Invitation for Bids
- 4 2. Instructions to Bidders (HUD-5369)
- 5 3. Representations, Certifications, and Other Statements of Bidders (HUD-5369-A)
- 6 4. Bid Proposal
 - 7 a. The Bid
 - 8 b. The Bid Bond
 - 9 c. Non-collusive Affidavit
 - 10 d. Designation of Subcontractors
- 11 5. Performance and Payment Bonds
- 12 6. Davis-Bacon Prevailing Wage Decision No. **CA100028 02/18/2011, Modification**
13 **No. 17**
- 14 7. General Conditions of the Contract (HUD-5370)
- 15 8. Special Conditions
- 16 9. This Construction Contract
- 17 10. Drawings/photographs
- 18 11. Specifications
- 19 12. Section 3 Certification
- 20 13. Hold Harmless

21 **ARTICLE 2**

22 **STATEMENT OF WORK**

23 2.1 Scope of Services

24 CONTRACTOR shall furnish all labor, material, equipment and services and perform and
25 complete all WORK required for the project identified as **87015-87045 Church Street and**
26 **56640-56680 Polk Street, Thermal, CA 92274 (Thermal I) and 56690-56720 Polk Street,**
27 **Thermal, CA 92274 (Thermal II),** for the AUTHORITY. CONTRACTOR shall perform all
28

1 services on days and at hours not in conflict with the AUTHORITY's normal working hours.
2 The normal working hours shall be from 7:00 AM to 5:00 PM Monday through Thursday.

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

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

18 ARTICLE 3

19 TIME OF COMMENCEMENT AND COMPLETION

20 3.1 The WORK to be performed under this Construction Contract shall commence within
21 ten (10) days after a Notice to Proceed is received by the CONTRACTOR, or on the date
22 specified in the Notice, whichever is later, and shall be completed within **forty-five (45)**
23 **working days** following the date of said Notice to Proceed.

24 3.2 Liquidated Damages

25 a. If the CONTRACTOR fails to complete the WORK within the time specified in
26 the contract, or any extension, as specified in the clause entitled Default of this contract, the
27 CONTRACTOR shall pay to the AUTHORITY as liquidated damages, the sum of **Three**
28 **Hundred and 00/Dollars (\$300.00)** for each day of delay. If different completion dates are

1 specified in the contract for separate parts or stages of the WORK, the amount of liquidated
2 damages shall be assessed on those parts or stages which are delayed. To the extent that the
3 CONTRACTOR's delay or nonperformance is excused under another clause in this contract,
4 liquidated damages shall not be due the AUTHORITY. The CONTRACTOR remains liable
5 for damages caused other than by delay.

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

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

13 ARTICLE 4

14 CONTRACT SUM

15 4.1 The AUTHORITY shall pay the CONTRACTOR for the performance of the contract,
16 subject to the additions and deductions by Change Order(s) as provided in the Contract
17 Documents, in current funds, the sum of **one hundred twenty seven thousand six hundred**
18 **forty dollars (\$127,640).**

19 a. All contracts for construction, alteration, repair and painting, in excess of \$2,000,
20 in which federal funds are used, shall be subject to Davis-Bacon prevailing wage laws.
21 CONTRACTOR represents and warrants that he/she shall pay his/her employees and all
22 individuals performing work, not less than the prescribed prevailing wage rate by the U.S.
23 Department of Labor or the California State Department of Industrial Relations, whichever is
24 higher. Prevailing wage rates are amended from time to time, and the most current wage
25 decision is always available from the AUTHORITY. CONTRACTOR shall abide by the
26 General Condition of the Contract (HUD-5370).

27 4.2 The Contract Sum set forth herein includes the payment by CONTRACTOR of all sales
28 and use taxes required by any local codes, or any law existing or which may hereafter be

1 adopted by federal, state or governmental authority, taxing the materials, services required or
2 labor furnished, and of any other tax levied by reason of the WORK to be performed
3 hereunder.

4 4.3 The Contract Sum is not subject to escalation, the CONTRACTOR having satisfied
5 himself/herself with said Contract Price which includes all labor and material increases
6 anticipated throughout the duration of this Construction Contract.

7 **ARTICLE 5**

8 **PROGRESS PAYMENTS**

9 5.1 Based upon Applications for Payment submitted by the CONTRACTOR to the
10 AUTHORITY, and certificates for payment issued by the Contractor, the AUTHORITY shall
11 make progress payments on account of the Contract Sum to the CONTRACTOR, as provided
12 in the General Conditions of the Construction Contract.

13 5.2 Approved applications for progress payment will be paid by the 30th day of each
14 month, provided that application for payment has been submitted to the AUTHORITY on or
15 before the first working day of the month.

16 **ARTICLE 6**

17 **INDEMNIFICATION AND HOLD HARMLESS**

18 6.1 CONTRACTOR shall indemnify and hold harmless the AUTHORITY, County of
19 Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors,
20 officers, Board of Supervisors, elected and appointed officials, employees, agents and
21 representatives (the "Indemnified Parties") from any liability whatsoever, including but not
22 limited to, PROPERTY damage, bodily injury, or death, based or asserted upon any services of
23 CONTRACTOR, its officer, employees, subcontractors, agents or representatives arising out of
24 or in any way relating to this Agreement and CONTRACTOR shall defend at its sole expense
25 and pay all costs and fees, including but not limited to, attorney fees, cost of investigation,
26 defense and settlements or awards, on behalf of the Indemnified Parties in any claim or action
27 based upon such liability.

28 6.2 With respect to any action or claim subject to indemnification herein by

1 CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their
2 choice and shall have the right to adjust, settle, or compromise any such action or claim without
3 the prior consent of AUTHORITY; provided, however, that any such adjustment, settlement or
4 compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S
5 indemnification to the Indemnified Parties as set forth herein.

6 6.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has
7 provided AUTHORITY the appropriate form of dismissal relieving AUTHORITY from any
8 liability for the action or claim involved.

9 6.4 The specified insurance limits required in this Agreement shall in no way limit or
10 circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnified
11 Parties herein from third party claims.

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

16 **ARTICLE 7**

17 **PROJECT CLOSEOUT**

18 7.1 Prior to occupancy of any dwelling unit, building, or other portion of the PROJECT,
19 the AUTHORITY shall receive a certificate from the CONTRACTOR that such portion of the
20 PROJECT is ready for occupancy and shall cause a Notice of Completion to be issued. A
21 Notice of Completion shall be issued only when the WORK, including all phases thereof, is
22 finally completed, and all requirements of this contract have been satisfied. The AUTHORITY
23 shall cause the Notice of Completion to be recorded in the office of the County Recorder.

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

1 terms of this Contract, including liquidated damages.

2 7.3 In addition to all other requirements, a Notice of Completion shall be issued only when
3 the AUTHORITY has received the following:

4 1. A Certificate of Completion, executed by the AUTHORITY.

5 2. All guarantees and warranties issued by the manufacturers or installers of
6 appliances or other component parts of the project. CONTRACTOR guarantees that the
7 equipment, materials, and workmanship, not otherwise covered by a guarantee or warranty,
8 will be free from defects in materials and workmanship for a period of one year following final
9 acceptance of the project.

10 3. The waiver and release of all liens, claims of liens, or stop notice rights of the
11 CONTRACTOR and all subcontractors, and the CONTRACTOR's Certificate and Release.

12 4. Verification from the AUTHORITY that CONTRACTOR has removed all waste
13 materials, rubbish, tools, construction equipment, machinery, and surplus materials from the
14 project site. If the CONTRACTOR has failed to remove any of such items, the AUTHORITY
15 may remove such items, and the CONTRACTOR shall pay the AUTHORITY for all costs
16 incurred in connection with such removal.

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 (HUD Form 5370), the AUTHORITY
24 may terminate this contract if the CONTRACTOR is adjudged bankrupt, a receiver is
25 appointed because of the CONTRACTOR's insolvency, or the CONTRACTOR makes a
26 general assignment for the benefit of his/her creditors, fails to make prompt payment to
27 subcontractor(s), or for material or labor, persistently disregards laws, ordinances, rules,
28 regulations or orders of any public AUTHORITY having jurisdiction, fails to construct the

1 project in accordance with the Drawings and Specifications, or otherwise substantially violates
2 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 ARTICLE 9

19 MISCELLANEOUS PROVISIONS

20 9.1 CONTRACTOR shall give all notices and comply with all laws, rules, regulations,
21 ordinances and orders of any governmental entity relating to the WORK. Should
22 CONTRACTOR become aware that any provisions of the Construction Contract is at variance
23 with any such rule, law, regulation, ordinance or order, he/she shall promptly give notice in
24 writing to the AUTHORITY of such variance.

25 9.2 It is hereby declared to be the intention of the parties that the sections, paragraphs,
26 sentences, clauses and phrases of this Contract are severable, and if any phrase, clause,
27 sentence, paragraph or section of this Contract shall be declared unconstitutional, invalid or
28 unenforceable by the valid judgment or decree of a court of competent jurisdiction, such

1 unconstitutionality, invalidity or unenforceability shall not affect any of the remaining clauses,
2 sentences, paragraphs and sections of this Contract.

3 9.3 In the event of any conflict between this Construction Contract and provisions of the
4 General Conditions of the Contract, the provisions in the Construction Contract shall govern.
5 In case of difference between the Technical Specifications and the Drawings, the Technical
6 Specifications shall govern. In case of any difference between the Special Conditions and
7 other provisions of the Construction Contract, or the Contract Documents, the provisions of the
8 Special Conditions shall govern. In the event of difference between the Contract or General
9 Conditions or Special Conditions or Instructions to Bidders, and the Technical Specifications
10 or General Requirements, the former documents shall govern.

11 9.4 The persons executing this Contract on behalf of the parties warrant and represent that
12 they have the authority to execute this Contract on behalf of each respective party and further
13 warrant and represent that they have the authority to bind each respective party to the
14 performance of its obligation hereunder.

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(Signatures on next page)

WHEN DOCUMENT IS FULLY EXECUTED RETURN
CLERK'S COPY
to Riverside County Clerk of the Board, Stop 1010
Post Office Box 1147, Riverside, Ca 92502-1147
Thank you.

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3 IN WITNESS WHEREOF, the parties hereto have executed this Construction Contract

4 on _____.

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

8 ATTEST:

Housing Authority of the County of Riverside

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11 Kecia Harper-Ihem *deputy*

12 Kecia Harper-Ihem

13 Clerk of the Board

10
11 Bob Buster

12 Bob Buster, Chairman

13 Board of Commissioners

15 AGENCY COUNSEL

15 OWNER

17 By [Signature] 6/2/11

17 By [Signature]

19 Title President

21 (SEAL)

21 License # 794667

23 Address 9066 Fertuna Ave. Yuca Valley

25 Phone No. 760 901-2034

ATTACHMENT A

SCOPE OF WORK

Thermal I & II Apartments "On-Demand" Water Heater Installation

1. Remove existing 40 gallon water heater from its storage closet located near the rear apartment exit door by the patio area. There are 53 units at this location and four small laundry rooms; **for a total of 57 water heaters total to be replaced.**
2. Remove any existing water, and gas piping that is unnecessary for new installation. **All exhaust piping shall be replaced completely** including roof riser and its rain cover.
3. Remove all wood wall bracing and seismic strapping.
4. Patch, texture, and prime all damaged drywall areas. Repaint interior walls in water heater closet (finish coat to be **Dunn Edwards Spartaglo "Navajo White Semi-gloss"**).
5. Install backer board to drywall to support water heaters; paint backer board with the same color as the interior closet walls.
6. Install **Noritz NRC111-SV Energy Star On-Demand Gas water heater (or equal)**. All water connections to be soldered copper pipe.
 - a. *Note: Contractor must ensure Installation of Water Heaters meets manufacturer's warranty requirements. Manufacturer Warranty stipulates that water heaters must be installed according to manufacturer's instructions and with manufacturer's materials including but not limited to gas, water pipe, size, and exhaust plumbing recommendations.*
7. Install isolation valves and pressure relief valve with discharging piping to exterior of building.
8. **Thermal I (87015-87045 Church Street and 56640-56680 Polk Street)** exhaust vent piping to be extended through roof, in place of old vent pipe, with proper sized roof jack and rain cap.
9. **Thermal II (56690-56720 Polk Street)** exhaust vent will discharge to exterior of building above the heater closet access door in all townhouses. Single story units should vent through roof, if possible.
10. All gas shut off valves and flex lines to be replaced and pipe size increased to ¾".
 - a. *Gas line connection at Thermal I (87015-87045 Church Street and 56640-56680 Polk Street) buildings (28 units and 2 laundry Rooms) are ¾" pipe size.*
 - b. *Thermal II (56690-56720 Polk Street) Buildings (25units and 2 laundry Rooms) are ½" pipe size. Increase all pipe size to ¾" at these locations.*
 - c. *Contractor to verify all piping locations.*
 - d. *All finished gas piping to be tested for leakage according to current plumbing building codes.*
11. Provide a 110 volt GFI outlet at water heater location. There is a 110 volt light and the on/off switch is located in the storage closet next to water heater closet. Extend this circuit and place an outlet in close proximity to the water heater from the wall light switch, for townhouses only. (110 volt power and its common leg located at light switch.)
12. Single story units need 110 volt circuit extended from the room's 110v plug receptacle behind the water heater closet.
13. Contractor to furnish all building permits and to perform all work to current California Building Codes.

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- 14. Any tripping hazards, if left unattended after working hours, are to be marked off with caution tape.
- 15. Any equipment and/or supplies left on site are strictly the responsibility of the contractor.
- 16. Construction and or storage container may be left on site at approved location by Housing Authority.
- 17. This is a **Davis Bacon and Related Acts (DBRA) Job** and the wage determination and poster shall be posted on job site by Contractor.
- 18. All demolition debris during construction shall be removed from the site daily and/or placed in an appropriate container provided by the CONTRACTOR.
- 19. When applicable, all dirt waste during grading phase shall be hauled away unless AUTHORITY has a place to dispose of it.

S:\Department\Contracting\aaaDevelopment Division\Thermal - Tankless Water Heater\Thermal I & II On Demand Contract.docx