MUEL WONG

Dep't Recomm.:

Consent

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

SUBMITTAL DATE:
January 24, 2013

FROM: Housing Authority

SUBJECT: North Hemet Demolition Project in the City of Hemet

RECOMMENDED MOTION: The Board of Commissioners:

1. Accept request by Housley Demolition Co. Inc. & Scorpion Backhoe Inc. for relief of their bids due to clerical error:

2. Accept and award the demolition contract to the lowest responsive and responsible bidder, National Demolition Contractors, in the amount of \$207,396 for demolition and disposal services at the North Hemet Site:

(Continued)

Robert Field
Executive Director

Current F.Y. Total Cost: \$354,000 In Current Year Budget: Yes

FINANCIAL 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: 2011 Tax Allocation Housing Bond Proceeds

Positions To Be
Deleted Per A-30

Deleted Per A-30 Requires 4/5 Vote

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

MINUTES OF THE HOUSING AUTHORITY BOARD OF COMMISSIONERS

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

Ayes:

Jeffries, Stone, Benoit and Ashley

Nays:

None

Absent:

Tavaglione

Date:

February 5, 2013

XC:

Housing Authority

Kecia Harper-Ihem

Deputy 1

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Housing Authority North Hemet Demolition Project in the City of Hemet January 24, 2013 Page 2

RECOMMENDED MOTION: (Continued)

- 3. Authorize the Chairman of the Board of Commissioners to execute the attached contract documents:
- 4. Approve the total project budget of up to \$354,000; and
- 5. Authorize the Executive Director, or designee, to implement and administer the attached contract including, but not limited to, signing subsequent necessary and relevant documents subject to approval as to form by County Counsel.

BACKGROUND:

On June 28, 2011, Governor Brown signed ABX1 26, the bill to dissolve redevelopment agencies throughout the State of California, and ABX1 27, the companion bill to allow redevelopment agencies to continue activities after making payment to the State. On December 29, 2011, the California Supreme Court announced its decision to uphold ABX1 26 and strike down ABX1 27, thus eliminating redevelopment agencies.

All work on properties owned by the Redevelopment Agency for the County of Riverside (RDA) was halted until there was further clarification from the State of California Department of Finance (DOF) and approval of funding on the Recognized Obligation Payment Schedule (ROPS).

As successor to the RDA housing function, the Housing Authority of the County of Riverside (HACR) completed lead-based paint and asbestos testing of properties at 761 – 797 N. State Street in the City of Hemet with Assessor Parcel Numbers (APNs) 439-060-009 and 439-060-011 (Phase 1) in August 2011.

On October 14, 2012, the DOF approved the demolition item for North Hemet on the ROPS for the period of January through June 2013, which enabled HACR to proceed with demolition of Phase 1 and commence the lead-based paint and asbestos testing/demolition process for the balance of the North Hemet site. In December 2012, a contract to demolish Phase 1 was awarded in the amount of \$34,290. Work done to demolish the vacant residential structures in Phase 1 is scheduled to be completed by the end of January 2013.

Lead-based paint and asbestos testing was completed in December 2012, for the balance of the North Hemet site, which includes 723 and 733 N. State Street; 160 – 320 N. Menlo Avenue; and 250 and 252 W. Oakland Avenue, APNs 439-060-009, 010, 013, 014, 015, 439-281-035 and 443-050-033 (Phase 2).

HACR advertised an Invitation for Bids (IFB) for demolition and disposal services for Phase 2 with a closing date of January 8, 2013. HACR received and opened seven bids. The two lowest bids submitted by Housley Demolition Co. Inc. and Scorpion Backhoe Inc. contained clerical errors and they have requested relief from their submitted bid without penalty to avoid working at a financial loss. HACR has reviewed the request made in accordance with Public Contract Code § 5103 and recommends the Board grant relief. National Demolition Contractors was the lowest bidder that responded to the solicitation. County Counsel and staff reviewed the submitted bid documents and determined that National Demolition Contractors was the lowest responsive and responsible bidder.

(Continued)

Housing Authority North Hemet Demolition Project in the City of Hemet January 24, 2013 Page 3

BACKGROUND: (Continued)

HACR staff recommends that the Board of Commissioners approve and award the demolition and disposal contract between the HACR and National Demolition Contractors in the amount of \$207,396 and approve the project budget as follows:

Phase 1 - Demolition and	\$34,290
Disposal:	ψο 1,200
Phase 1 – Contingency	\$3,429
(10%):	4-,
Phase 2 - Demolition and	\$207,396
Disposal:	
Phase 2 - Contingency	\$20,740
(10%):	
Phase 2 - Lead-Based	\$19,770
Paint and Asbestos	
Survey & Testing:	
Inspection and Fees:	\$9,375
Subtotal:	\$295,000
Project Contingency	\$59,000
(20%) – for hazardous	
materials or additional	
excavation work:	
Total:	\$354,000

County Counsel has reviewed and approved as to form the attached contract.

FINANCIAL DATA:

The 2011 Tax Allocation Housing Bond Proceeds is the funding for this activity and is identified in the Recognized Obligation Payment Schedule III. The HACR has budgeted this expense in the FY 2012/13 budget.

Attachment - Demolition and Abatement Contract

DEMOLITION AND DISPOSAL CONTRACT BY AND BETWEEN THE

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE AND NATIONAL DEMOLITION CONTRACTORS FOR THE N. HEMET DEMOLITION PROJECT - PHASE II

This CONTRACT is made by and between the Housing AUTHORITY of the County of Riverside, a body corporate and politic of the State of California and successor in interest to the Redevelopment Agency for the County of Riverside hereinafter referred to as the "AUTHORITY," and National Demolition Contractors, hereinafter referred to as "CONTRACTOR."

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

- A. 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.
- B. 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 (IFB No. 2012-008)

- 2) Davis-Bacon Prevailing Wage Decision No.: CA120028; CA28; Modification No. 15 11/16/2012
- 3) General Conditions of the Contract (HUD-5370)
- 4) Special Conditions
- 5) This Construction Contract
- 6) Drawings/Photographs (if applicable)
- 7) Specifications /Scope of Work
- 8) Section 3 Certification

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 723, 733 N. State St.; 160, 220, 250, 260, 310, 320 W Menlo Ave; 250, 252 W Oakland Ave. Hemet, CA 92543; NWC of Menlo Avenue and State Street, in the City of Hemet as described in Exhibit "A," 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.
- 2.2 Data provided in the specifications and drawings are believed to actually depict the conditions to be encountered by the CONTRACTOR, but the AUTHORITY does not guarantee such data as being all-inclusive or complete in any respect. Nothing contained herein shall relieve CONTRACTOR from making any and all investigations he/she may deem necessary to apprise him/herself of the WORK. CONTRACTOR hereby accepts the location

of the PROJECT in an "as is" condition and herein <u>warrants that all such investigations have</u> been performed by him/her, and hereby expressly waives any and all rights under this <u>Construction Contract</u>, or in law, to additional compensation and/or time adjustments for alleged unknown subsurface and/or latent conditions.

ARTICLE 3

TIME OF COMMENCEMENT AND COMPLETION

- 3.1 The WORK to be performed under this Construction Contract shall commence immediately or on the date specified in the Notice to Proceed (NTP), whichever is later, and shall be completed within twenty-one (21) calendar days following the date of said NTP.
- 3.2 Liquidated Damages
- a. If the CONTRACTOR fails to complete the WORK within the time specified in the Contract, or any extension, as specified in the clause entitled Default of this Contract, the CONTRACTOR shall pay to the AUTHORITY as liquidated damages, the sum of **Three Hundred and 00/100 Dollars (\$300.00)** for each day of delay. If different completion dates are specified in the contract for separate parts or stages of the WORK, the amount of liquidated damages shall be assessed on those parts or stages which are delayed. To the extent that the CONTRACTOR's delay or nonperformance is excused under another clause in this Contract, liquidated damages shall not be due the AUTHORITY. The CONTRACTOR remains liable for damages caused other than by delay.
- b. If the AUTHORITY terminates the CONTRACTOR's right to proceed, the resulting damage will consist of liquidated damages until such reasonable time as may be required for final completion of the WORK together with any increased costs occasioned the AUTHORITY in completing the WORK.
- c. If the AUTHORITY does not terminate the CONTRACTOR's right to proceed, the resulting damage will consist of liquidated damages until the WORK is completed or accepted.

ARTICLE 4

CONTRACT SUM

4.1 The AUTHORITY shall pay the CONTRACTOR for the performance of the Contract, subject to the additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum Two Hundred Seven Thousand Three Hundred Ninety-Six and 00/100 Dollars (\$207,396.00).

- a. CONTRACTOR represents and warrants that he/she shall pay his/her employees and all individuals performing work, not less than the prescribed prevailing wage rate by the U.S. Department of Labor or the California State Department of Industrial Relations, whichever is higher. Prevailing wage rates are amended from time to time, and the most current wage decision is always available from the AUTHORITY.
- 4.2 The Contract Sum set forth herein includes the payment by CONTRACTOR of all sales and use taxes required by any local codes, or any law existing or which may hereafter be adopted by federal, state or governmental authority, taxing the materials, services required or labor furnished, and of any other tax levied by reason of the WORK to be performed hereunder.
- 4.3 The Contract Sum is not subject to escalation, the CONTRACTOR having satisfied himself/herself with said Contract Price which includes all labor and material increases anticipated throughout the duration of this Construction Contract.

ARTICLE 5

PROGRESS PAYMENTS

- Based upon Applications for Payment submitted by the CONTRACTOR to the AUTHORITY, and certificates for payment issued by the CONTRACTOR, the AUTHORITY shall make progress payments on account of the Contract Sum to the CONTRACTOR, as provided in the General Conditions of the Construction Contract.
- 5.2 Approved applications for progress payment will be paid by the 30th day of each month, provided that application for payment has been submitted to the AUTHORITY on or before the first working day of the month.

ARTICLE 6

INDEMNIFICATION AND HOLD HARMLESS

- 6.1 CONTRACTOR shall indemnify and hold harmless the AUTHORITY, County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Contract, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of CONTRACTOR, its officers, employees, subcontractors, agents or representatives Indemnitors from this Contract. CONTRACTOR shall defend at its sole expense, all costs and fees including, but not limited to, attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.
- 6.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of AUTHORITY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein.
- 6.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided AUTHORITY the appropriate form of dismissal relieving AUTHORITY from any liability for the action or claim involved.
- 6.4 The specified insurance limits required in this Contract shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.
- 6.5 In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

ARTICLE 7

PROJECT CLOSEOUT

- 7.1 Prior to completion of the PROJECT, the AUTHORITY shall receive a certificate from the CONTRACTOR that such portion of the PROJECT is ready for use and shall cause a Notice of Completion to be issued. A Notice of Completion shall be issued only when the WORK, including all phases thereof, is finally completed, and all requirements of this contract have been satisfied. The AUTHORITY shall cause the Notice of Completion to be recorded in the office of the County Recorder.
- 7.2 After recordation of the Notice of Completion, and expiration of the thirty (30) day period for filing of stop notices, the AUTHORITY shall settle all claims and disputes, notify the CONTRACTOR of final acceptance of the project, and make final payment of the entire unpaid balance of the Contract Sum, including the five percent (5%) retention, less any amounts which the AUTHORITY is entitled to receive from the CONTRACTOR under the terms of this Contract, including liquidated damages.
- 7.3 In addition to all other requirements, a Notice of Completion shall be issued only when the AUTHORITY has received the following:
 - a. A Certificate of Completion, executed by the AUTHORITY.
 - b. All guarantees and warranties issued by the manufacturers or installers of appliances or other component parts of the project. CONTRACTOR guarantees that the equipment, materials, and workmanship, not otherwise covered by a guarantee or warranty, will be free from defects in materials and workmanship for a period of one year following final acceptance of the project.
 - c. The waiver and release of all liens, claims of liens, or stop notice rights of the CONTRACTOR and all subcontractors, and the CONTRACTOR's Certificate and Release.
 - d. Verification from the AUTHORITY that CONTRACTOR has removed all

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

ARTICLE 8

BREACH AND TERMINATION

- 8.1 Waiver by AUTHORITY of any breach of this Construction Contract shall not constitute a waiver of any other breach or of any future breach. No payment made hereunder shall be construed to be an acceptance of defective WORK or improper materials.
- 8.2 In addition to any right of termination reserved to the AUTHORITY by paragraph 34 of the General Conditions of the Construction Contract, the AUTHORITY may terminate this contract if the CONTRACTOR is adjudged bankrupt, a receiver is appointed because of the CONTRACTOR's insolvency, or the CONTRACTOR makes a general assignment for the benefit of his/her creditors, fails to make prompt payment to subcontractor(s), or for material or labor, persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to construct the project in accordance with the Drawings and Specifications, or otherwise substantially violates any provision of the Contract documents.
- 8.3 The AUTHORITY shall give the CONTRACTOR and his surety five (5) days written notice prior to terminating this Contract, pursuant to this section, provided, however, that the CONTRACTOR shall, upon receipt of such notice, immediately stop the installation of improvements, or other permanent construction work encompassing part of the PROJECT. Upon termination, the AUTHORITY may take possession of the PROJECT and all materials, equipment, tools, and construction equipment and machinery owned by the CONTRACTOR and located at the PROJECT Site and may finish the PROJECT by whatever method it may deem expedient. In such case, the CONTRACTOR shall not be entitled to receive any further payment under this Contract.
- 8.4 The AUTHORITY shall not be deemed to have waived any of its other rights of

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remedies against the CONTRACTOR by exercising its right of termination under this section.

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

ARTICLE 9

MISCELLANEOUS PROVISIONS

- CONTRACTOR shall give all notices and comply with all laws, rules, regulations, 9.1 ordinances and orders of any governmental entity relating to the WORK. CONTRACTOR become aware that any provisions of the Construction Contract is at variance with any such rule, law, regulation, ordinance or order, he/she shall promptly give notice in writing to the AUTHORITY of such variance.
- It is hereby declared to be the intention of the parties that the sections, paragraphs, 9.2 sentences, clauses and phrases of this Contract are severable, and if any phrase, clause, sentence, paragraph or section of this Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity or unenforceability shall not affect any of the remaining clauses, sentences, paragraphs and sections of this Contract.
- In the event of any conflict between this Construction Contract and provisions of the 9.3 General Conditions of the Contract, the provisions in the Construction Contract shall govern. In case of difference between the Technical Specifications and the Drawings, the Technical Specifications shall govern. In case of any difference between the Special Conditions and other provisions of the Construction Contract, or the Contract Documents, the provisions of the Special Conditions shall govern. In the event of difference between the Contract or General Conditions or Special Conditions or Technical Specifications or General Requirements, the former documents shall govern.
- The persons executing this Contract on behalf of the parties warrant and represent that 9.4 they have the authority to execute this Contract on behalf of each respective party and further

1	warrant and represent that they have the authority to bind each respective party to the	
2	performance of its obligation hereunder.	
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1	IN WITNESS WHEREOF, the parties hereto have caused their duly authorized
2	representatives to execute this Construction Contract this 5W day of Femula, 2013.
3	(to be filled in by Clerk of the Board)
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5	
6	Housing Authority of the County of Riverside Contractor
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8	11011R + 11(-) dealer
9	John J. Benoit, Chairman By: Jennifer Perry
10	Board of Commissioners Its: Dwner License # 765851
11	Electrise II 703031
12	Attest:
13	Kecia Harper-Ihem Clerk of the Board
14	di A
15	XAIM MALTON
16	Deputy)
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18	Approved As To Form: Pamela J. Walls
19	County Counsel
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21	48 Victor 1/28/13
22	Marsha Victor, Deputy County Counsel
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S:\Department\Contracting\Development Division\Successor Agency Projects\North Hemet Demolition Project\Phase II\contract

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Exhibit "A" Scope of Work (SOW)

SCOPE OF WORK (SOW)/TECHNICAL SPECIFICATIONS (T/S): The HACR is seeking bids from qualified, licensed and bonded entities to provide the following demolition services at the demolition site listed herein:

DEMOLITION SITE LOCATION:

Item #	Site Addresses
1	723 and 733 N. State Street; 160,
	220, 250, 260, 310, 320 W. Menlo
	Avenue; 250 and 252 W. Oakland
	Ave.
	Hemet, CA 92543

The project is located in the City of Hemet.

- Construction Document/Drawings/Plans: Each bid shall be in accordance with the
 plans, specifications and other Contract Documents. The documents can be purchased
 and downloaded at www.missionreproplanroom.com or by calling Mission Reprographics at
 (951) 686-8828. There will be a non-refundable charge per set. Bidders requesting that
 sets be mailed or shipped to them will be charged the full cost of shipping. Please make
 checks payable to Mission Reprographics, not the HACR.
- Demolish, remove and properly dispose of ALL existing above and below grade structures
 (approximately 18 detached structures total) and associated components, which include but
 are not limited to foundations, flatwork, asphalt, buried foundations, walls, internal fencing,
 and all that is free-standing with the exception of trees.

- The trees are to remain and trimmed to the point where they do not obstruct the view from the public streets; this will allow local law enforcement to view the site from the streets.

 The base of the canopy needs to be at least eight feet from the ground.
- Remove all fencing (cinder block, chain link, wood, wire, etc.) within the project area limits.
- Perimeter-fence (6' chain link) any missing segments and any missing segments as a result of demo-work (i.e., 310 N. Menlo Avenue).
- Coordinate with all utility companies to ensure that all utility lines (overhead, at-grade or below-grade) have been properly disconnected. Contractor to confirm that all utility lines are inactive, cut, capped, or relocated. This includes sewer laterals, or abandoned septic systems per City code and per address; backfilling septic tanks and fully securing basements are part of this demo project.
- Contractor shall ensure that all work will be performed in strict accordance with all applicable Federal, State, Regional, and Local building codes and requirements. This shall include (but not limited to) the United States Environmental Protection Agency (USEPA), California Environmental Quality Act (CEQA), SCAQMD (including but not limited to Form R1403, which shall be submitted by contractor), Division of Occupational Safety and Health (Cal/OSHA), California Department of Public Health (CDPH), City of Hemet, and County of Riverside requirements and regulations.
- Remove, abate and properly dispose of any debris, small trees, shrubs, weeds, shrubs, trash, dumping, debris and miscellaneous materials.

- Proper dumping (certification of disposal will be required) of all components that have been demolished or removed from the site including lead based paint and asbestos materials.
- Level the surface of the site of any mounds and/or pits formed in the course of demolition (rough grading is not necessary).
- Contractor shall be responsible for measuring all areas for accuracy and bid submittal shall include all appurtenances.
- Contractor shall be responsible for obtaining any and all applicable permits, dumping fees, demo plan/demo plan approval, and SWPPP required and the costs associated with this Project.
- Contractor shall provide a cleared site, free of all debris, demolished components,
 contractor equipment, etc., so that grading may commence immediately following the scope of work.
- Lead based paint and asbestos have been identified. Recommendations for appropriate treatment are specified in the Asbestos and Lead-Based Paint Assessment Survey and Reporting. Abating lead based paint materials shall be in accordance with the Housing and Urban Development and CDPH lead removal guidelines. Abating asbestos materials shall be in accordance to SCAQMD (AQMD 1403 rule) and Cal/OSHA regulations.
- Prior to demolition, the contractor shall be responsible for providing certification that they or
 their sub-contractor can abate and remove lead based paint under the CDPH and all the
 provisions in Title 17, California Code of Regulations, Division 1, Chapter 8 Accreditation,
 Certification, and Work Practices For Lead-Based Paint and Lead Hazards (§36100.
 Requirements for Abatement for Public and Residential Buildings)

and shall also be responsible for having a registered asbestos and abatement contractor, using USEPA accredited personnel identified in the attached Pre-Demolition Hazardous Materials Survey Report (Lead-Based Paint and Asbestos Survey) report dated 12/13/12.

The lead and asbestos hazards shall be abated and removed only by a certified lead/asbestos supervisor or a certified lead/asbestos worker.