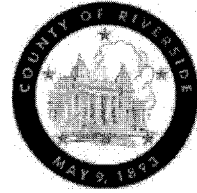


**SUBMITTAL TO THE BOARD OF COMMISSIONERS
HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM
10.1
(ID # 3501)**

MEETING DATE:

Tuesday, March 21, 2017

FROM : HOUSING AUTHORITY:

SUBJECT: HOUSING AUTHORITY: Kitchen and Bathroom Renovation Project at the Banning Townhomes in the City of Banning – Award of Construction Contract, CEQA Exempt, District 5, [\$231,919], Department of Housing and Urban Development (HUD) 2016 Capital Fund Grant 100%

RECOMMENDED MOTION: That the Board of Commissioners:

1. Accept the low bid by Diversified Pacific Development, Inc. and award the construction contract as the lowest responsive and responsible bidder, in the amount of \$210,835 for the renovation of all kitchens and bathrooms at the public housing development located at 975 E. Williams Street, Banning, CA 92220;
2. Approve the construction contract and the total construction project budget of \$231,919;
3. Find that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301, Existing Facilities Exemption, and Section 15061 General Rule "Common Sense" Exemption;
4. Find that the project is a categorically excluded activity (subject to Title 24 Code of Federal Regulations (CFR) Section 58.5) and meets the conditions specified for such exemption pursuant to Title 24 CFR Section 58.35(a) and in accordance with the National Environmental Policy Act of 1969;

Robert Field, Assistant County Executive Officer/EDA 2/22/2017

MINUTES OF THE BOARD OF COMMISSIONERS

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

Ayes: Jeffries, Tavaglione and Washington
Nays: None
Absent: Ashley
Date: March 21, 2017
xc: Housing Authority,

Kecia Harper-Ihem
Clerk of the Board

By 
Deputy

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

RECOMMENDED MOTION: That the Board of Commissioners:

5. 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);
6. Authorize the Executive Director, or designee, to take all necessary steps to implement and accomplish the contract including, but not limited to, signing administrative documents that do not substantially change the contract, subject to approval by County Counsel; and
7. Direct Housing Authority staff to file the Notice of Exemption with the Clerk of the Board within five working days.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$231,919	\$0	\$231,919	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: Department of Housing and Urban Development (HUD) 2016 Capital Fund Grant 100%			Budget Adjustment: No	
			For Fiscal Year: 16/17	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Housing Authority of the County of Riverside (HACR) owns, operates and maintains the Public Housing Site known as the Banning Townhomes (Property) located at 975 E. Williams Street, Banning, CA 92220. This Property's kitchens, bathrooms and flooring are the original installed fixtures and now require renovation. The proposed project will completely renovate the old bathrooms, kitchens and flooring.

The Housing Authority advertised an Invitation for Bids (IFB) No. 2016-010 for the renovation of the fourteen kitchen and bathrooms at the Property with a closing date of January 24, 2017. The HACR received and opened four bids. Diversified Pacific Development, Inc. was the lowest bidder that responded to the solicitation that was found to be both responsible and responsive.

Housing Authority staff recommends that the Board of Commissioners (BOC) approve and award the construction contract between the HACR and Diversified Pacific Development, Inc. in the amount of \$210,835 and approve the construction project budget as follows:

Construction Contract	\$210,835
Contingency (10%)	\$21,084
Total:	\$231,919

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

A 10% construction contingency in the amount of \$21,084 has been included in the project budget to account for errors and omissions in the construction documents or changes in the scope of the project due to unforeseen repairs or site conditions.

County Counsel and Housing Authority staff reviewed the submitted bid and determined that Diversified Pacific Development, Inc. was the lowest responsive and responsible bidder.

California Environmental Quality Act (CEQA) Findings:

This project will replace the existing kitchen, baths and flooring with completely renovated kitchens and baths within the rental units on the same site, within the confines of the current Property. The project is exempt from CEQA pursuant to Section 15301 Existing Facilities Exemption. This exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project as proposed is the upgrade of existing residential multifamily units for use as low income rental units. There will be no expansion of the existing use of the Property, which is currently residential use. Additionally the project is exempt from CEQA pursuant to Section 15061 as there is no possibility the project will have a significant impact on the environment.

Impact on Residents and Businesses

Approving this item will have a positive impact on the citizens and businesses of Banning. The proposed project is expected to generate temporary construction jobs. Additionally, the renovations will enhance the living space for current and future apartment residents. These and future improvements will positively impact the residents of the Banning Townhomes and improve the surrounding neighborhood.

SUPPLEMENTAL:

Additional Fiscal Information

No impact upon the County's General Fund; the County's contribution to the project will be fully funded with a grant from HUD's 2016 Capital Fund.

Contract History and Price Reasonableness

The HACR advertised an Invitation for Bids (IFB) No. 2016-010 with a bid opening date of January 24, 2017. The HACR received and opened four bids. The lowest bidder, P & P Develop, Inc. formally withdrew their bid after the bid opening. St. George Groupe, Inc. was the next lowest bidder that responded to the solicitation. They were not able to obtain payment and performance bonds and were subsequently found to be non-responsive. Diversified Pacific Development, Inc. was the next lowest bidder and were found to be responsive and responsible.

The cost proposed by the lowest bidder at \$210,835 compares well with the other proposed amounts and is deemed to be appropriate, fair and reasonable.



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

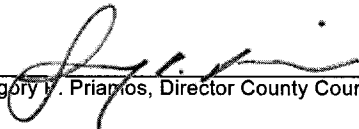
County Counsel and staff reviewed the withdrawn bids and the submitted bid and determined that Diversified Pacific Development, Inc. was the lowest responsive and responsible bidder.

Attachments:

- Construction Contract (3)
- Notice of Exemption

RF:JWW:HM:GE MT 3501


Gregory V. Priamos, Director County Counsel 2/23/2017 
Rashmi Basma, Principal Management Analyst 3/13/2017


Gregory V. Priamos, Director County Counsel 2/23/2017



NOTICE OF EXEMPTION

January 26, 2017

Project Name: Kitchen and Bath Renovation Project at Beaumont Grove Apartments

Project Number: 2016-010

Project Location: 975 E. Williams Street, Banning, CA 92220 (See attached Exhibit A).

Description of Project: The Housing Authority of the County of Riverside (HACR) owns, operates and maintains the Public Housing Site known as the Banning Townhomes (Property) located at 975 E. Williams Street, Banning, CA 92220. The Property's fourteen (14) units are in need of kitchen and bathroom renovation. The scope of the capital improvements include the following: installing new flooring, cabinets, counters and fixtures to replace the old ones that have become dilapidated with age and use. No new residential units will be created and the existing use of the site will remain the same and of similar intensity. Any existing impacts related to noise, traffic, or utilities will remain similar to existing conditions.

Name of Public Agency Approving Project: Housing Authority of the County of Riverside, Economic Development Agency

Name of Person or Agency Carrying Out Project: Housing Authority of the County of Riverside

Exempt Status: California Environmental Quality Act (CEQA) Guidelines, Section 15301, Existing Facilities and Section 15061 (b) (3), General Rule Exemption.

Reasons Why Project is Exempt: The project is exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause any impacts to scenic resources, historic resources, or unique sensitive biological environments. The existing structure that will be upgraded does not possess any historic significance and the project site is already developed. Further, no unusual circumstances or potential cumulative impacts would occur that may reasonably create an environmental impact. The upgrade of existing residential units to be utilized in a similar manner will not have an effect on the environment and no significant physical environmental impacts are anticipated to occur.

- Section 15301 – Class 1 Existing Facilities Exemption. This exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the

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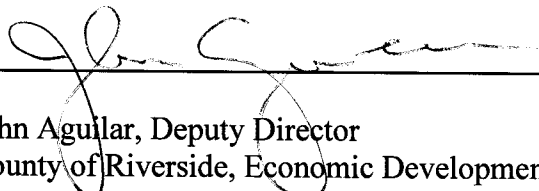
Economic Development
Edward-Dean Museum
Environmental Planning
Fair & National Date Festival
Foreign Trade
Graffiti Abatement

Parking
Project Management
Purchasing Group
Real Property
Redevelopment Agency
Workforce Development

exemption only involves negligible or no expansion of the previous site's use. The project as proposed is the upgrade of existing residential multifamily units for use as low income rental units. The project includes interior repairs, upgrades, and minor alterations in order to improve the existing use of the site for housing. The renovation of the existing kitchens and bathrooms as proposed is minimal and would not result in any significant physical impacts related to air quality, traffic, noise, biological or historic resources, or any other potential physical environmental impacts. Once the upgrades are complete, the property will continue to operate as residential units. Therefore, the project meets the scope and intent of the Class 1 Exemption.

- Section 15061 – General Rule or “Common Sense” Exemption. The State CEQA Guidelines provides this exemption based upon the general rule that CEQA only applies to projects with the potential to cause a significant effect on the environment. With certainty, there is no possibility that the proposed project may have a significant effect on the environment. The improvement of an already existing multifamily housing unit at the same physical location will not have an effect on the environment. The upgraded units will not increase any potential environmental impacts from either the rehabilitation or operations of the units themselves. The use and operation of the site will be substantially similar to the existing residential units and will not create any new environmental impacts to the surrounding area. In fact, the upgrades to the housing will improve both the existing structures and the surrounding community. Rehabilitation activities will be limited to the interior portions of the homes and any impacts related to the operation of the site will be the same or similar in nature to the existing conditions. Therefore, in no way would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Based upon the identified exemptions above, the County of Riverside, Economic Development Agency hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed:  Date: 1-31-17

John Aguilar, Deputy Director
County of Riverside, Economic Development Agency

1 **CONSTRUCTION CONTRACT BY AND BETWEEN**
2 **THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE**
3 **AND DIVERSIFIED PACIFIC DEVELOPMENT, INC. FOR**
4 **THE KITCHEN & BATHROOM RENOVATION PROJECT AT BANNING**
5 **TOWNHOMES**

6 This CONTRACT is made by and between the **Housing Authority of the County of Riverside**, a
7 body corporate and politic, hereinafter referred to as “AUTHORITY”, and **Diversified Pacific**
8 **Development, Inc.**, hereinafter referred to as “CONTRACTOR.”

9 **RECITALS**

- 10 A. The AUTHORITY is the owner of a certain real property located in the County of
11 Riverside, commonly known as, **975 East Williams Street, Banning, CA 92220**,
12 hereinafter referred to as “PROPERTY;”
- 13 B. The term “PROJECT” includes performance, as set forth in the Contract Documents, by
14 the CONTRACTOR, of all work or improvements on, in and about the PROPERTY;
- 15 C. AUTHORITY desires that the CONTRACTOR perform the PROJECT on the terms and
16 conditions hereinafter set forth, and CONTRACTOR agrees to perform said PROJECT on
17 the terms and conditions set forth below.

18 NOW, THEREFORE, the AUTHORITY and CONTRACTOR, for the consideration set forth
19 herein, mutually agree as follows:

20 **ARTICLE I**

21 **THE CONSTRUCTION CONTRACT**

22 1.1 The Contract Documents means and includes, without limitation, all of the following which are
23 incorporated herein by this reference and are made a part of this CONTRACT as if fully set forth herein.
24 The Contract Documents consist of the following component parts:

- 25 1.1.1 Invitation for Bids (IFB) No. 2016-010 Kitchen & Bathroom Renovation Project at
26 Banning Townhomes
- 27 1.1.2 Exhibit “A”

1 1.1.3 CONTRACTOR's Form of Bid submitted to the AUTHORITY on January 24, 2017 in
2 connection with IFB No. 2016-010

3 1.1.4. Davis-Bacon Prevailing Wage Decision No. **CA170028 01/06/2017 MOD 0**

4 1.1.5. Form HUD-5370 (01/2014) General Conditions for Construction Contracts - Public
5 Housing Programs

6 1.1.6 Addendum #1

7 **ARTICLE 2**

8 **STATEMENT OF PROJECT WORK**

9 2.1 Scope of Services

10 CONTRACTOR shall furnish all labor, material, equipment and services and perform and complete all
11 Work for the PROJECT identified as the **Kitchen & Bathroom Renovation Project at Banning**
12 **Townhomes**, for the AUTHORITY. CONTRACTOR shall perform all services Monday – Friday, 7:30
13 a.m. to 5:30 p.m.

14 2.1.1. The full scope of Work is described in the Contract Documents and more specifically in
15 Exhibit "A" as well as in the approved plans and specifications.

16 2.1.2 All such Work shall be done in strict accordance with the CONTRACT, specifications, and
17 addenda thereto and the plans and drawings included therein, all as prepared by the
18 AUTHORITY.

19 2.2 Site Conditions

20 Data provided in the specifications and drawings are believed to depict the conditions to be encountered
21 by the CONTRACTOR, but the AUTHORITY does not guarantee such data as being all-inclusive or
22 complete in every respect. Nothing contained herein shall relieve CONTRACTOR from making any and
23 all investigations he/she may deem necessary to apprise him/herself of the Work. CONTRACTOR'S
24 submission of its bid and execution of the CONTRACT constitutes its representation, acknowledgement
25 and agreement that it had sufficient time, access and opportunity prior to the bid closing to conduct a
26 careful and thorough examination, to its satisfaction of: the Contract Documents, and other information
27 provided by AUTHORITY prior to bid closing concerning the PROJECT, site or existing improvements;

1 the visible conditions at the site and its surroundings, visible conditions of existing improvements and
2 their existing uses, and local conditions in the vicinity of the site; the status of any construction at the site
3 concurrently under construction; and all information concerning visible and concealed conditions above
4 and below the surface of the ground at the site and in existing improvements, including without limitation,
5 surveys, reports, data, as-built drawings of existing improvements and utility sources, that was either
6 provided by AUTHORITY to CONTRACTOR or was reasonably available to CONTRACTOR for
7 review in the public records.

8 ARTICLE 3

9 TIME OF COMMENCEMENT AND COMPLETION

10 3.1 Time for Completion

11 The Work, as defined in the General Conditions, to be performed under this CONTRACT shall
12 commence within ten (10) days after a Notice to Proceed is received by the CONTRACTOR, or on the
13 date specified in the Notice, whichever is later, and shall be completed within **seventy-five (75) calendar**
14 **days** following the said date. Time is of the essence under this CONTRACT as to each provision in which
15 time of performance is a factor.

16 3.2 Liquidated Damages

17 3.2.1 If the CONTRACTOR fails to complete the PROJECT within the time specified in the
18 Contract, or any extension, as specified in the clause entitled Default (General Conditions HUD-5370
19 Clause No. 32), the CONTRACTOR shall pay to the AUTHORITY as liquidated damages, the sum of
20 **three hundred (\$300) dollars** for each day of delay. If different completion dates are specified in the
21 contract for separate parts or stages of the Work, the amount of liquidated damages shall be assessed on
22 those parts or stages which are delayed. To the extent that the CONTRACTOR'S delay or
23 nonperformance is excused under another clause in this CONTRACT, liquidated damages shall not be
24 due the AUTHORITY. The CONTRACTOR remains liable for damages caused other than by delay.

25 3.2.2 If the AUTHORITY terminates the CONTRACTOR'S right to proceed, the resulting
26 damage will consist of liquidated damages until such reasonable time as may be required for final
27

1 completion of the PROJECT together with any increased costs occasioned the AUTHORITY in
2 completing the PROJECT.

3 3.2.3 If the AUTHORITY does not terminate the CONTRACTOR'S right to proceed, the
4 resulting damage will consist of liquidated damages until the PROJECT is completed or accepted.

5 **ARTICLE 4**

6 **CONTRACT SUM**

7 4.1 The AUTHORITY shall pay the CONTRACTOR for the performance of the Work, subject to the
8 additions and/or deductions by Change Order(s) as provided in the CONTRACT, the sum of **Two**
9 **Hundred Ten Thousand Eight Hundred Thirty-Five and 00/100 Dollars (\$210,835.00)**. The
10 CONTRACTOR exceeds the contract sum amount at his/her own risk. The Contractor is under no
11 obligation to provide additional services that would cause the CONTRACTOR's fees to exceed the
12 contract sum without prior revision of this amount by written change order.

13 4.1.1 All construction contracts for construction, alternation, or repair (including painting and
14 decorating) of public buildings or public works , in excess of \$2,000 in which federal funds are used, shall
15 be subject to Davis-Bacon Act (40 U.S.C, 276a to 276a-7) prevailing wage laws. CONTRACTOR
16 represents and warrants that s/he shall pay her/his employees and all individuals performing work, not
17 less than the prevailing wage rate as determined by the U.S. Department of Labor (www.wdol.gov).
18 Prevailing wage rates are amended/modified from time to time, and the most current wage decision is
19 available from the AUTHORITY. CONTRACTOR shall abide by the Federal Labor Standards Provisions
20 (HUD-5370 Clause No. 46).

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

25 4.3 The Contract Sum is not subject to escalation, the CONTRACTOR having satisfied him/herself
26 that the Contract Sum includes all labor and material increases anticipated throughout the duration of this
27 CONTRACT.

28

1 **ARTICLE 5**

2 **PROGRESS PAYMENTS**

3 5.1 Based upon applications for payment submitted by the CONTRACTOR to the AUTHORITY, and
4 certificates for payment issued by the Architect/Consultant, if any, the AUTHORITY shall make progress
5 payments on account of the Contract Sum to the CONTRACTOR, as provided in the General Conditions
6 of the Construction Documents.

7 5.2 AUTHORITY shall promptly review applications for payment and provide its approval or
8 disapproval, in whole or in part, within fifteen (15) calendar days after receipt of an application for
9 payment requesting progress payment. Approved applications for progress payments will be paid by the
10 30th day of each month, provided that the application for payment has been submitted to the
11 AUTHORITY on or before the first working day of the month.

12 **ARTICLE 6**

13 **INDEMNIFICATION AND HOLD HARMLESS**

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

23 6.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR,
24 CONTRACTOR shall, at their sole cost, have the right to use counsel of their choice and shall have the
25 right to adjust, settle, or compromise any such action or claim without the prior consent of AUTHORITY;
26 provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits
27 or circumscribes CONTRACTOR'S indemnification to the Indemnitees as set forth herein.

1 6.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided
2 AUTHORITY the appropriate form of dismissal relieving AUTHORITY from any liability for the action
3 or claim involved.

4 6.4 The specified insurance limits required in this Construction Contract shall in no way limit or
5 circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from
6 third party claims.

7 6.5 In the event there is a conflict between this clause and California Civil Code Section 2782, this
8 clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the
9 CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

10 **ARTICLE 7**

11 **INSURANCE**

12 7.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the
13 AUTHORITY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole
14 cost and expense, the following insurance coverages during the term of this CONTRACT. As respects to
15 the insurance section only, the AUTHORITY herein refers to the Housing Authority of the County of
16 Riverside, County of Riverside, its Agencies, Districts, Special Districts, and Departments, their
17 respective directors, officers, Board of Commissioners, Board of Supervisors, employees, elected or
18 appointed officials, agents or representatives as Additional Insureds.

19 7.1.1. Workers' Compensation:

20 If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall
21 maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State
22 of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease
23 with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive
24 subrogation in favor of the AUTHORITY.

25 7.1.2 Commercial General Liability:

26 Commercial General Liability insurance coverage, including but not limited to, premises liability,
27 unmodified contractual liability, products and completed operations liability, personal and advertising
28

1 injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S
2 performance of its obligations hereunder. Policy shall name the AUTHORITY as Additional Insured.
3 Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such
4 insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than
5 two (2) times the occurrence limit.

6 7.1.3 Vehicle Liability:

7 If vehicles or mobile equipment are used in the performance of the obligations under this CONTRACT,
8 then CONTRACTOR shall maintain liability insurance for all owned, non-owned or hired vehicles so
9 used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance
10 contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2)
11 times the occurrence limit. Policy shall name the AUTHORITY as Additional Insured.

12 7.1.4 General Insurance Provisions - All lines:

- 13 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State
14 of California and have an A M BEST rating of not less than A: VIII (A:8) unless such
15 requirements are waived, in writing, by the County Risk Manager. If the County's Risk
16 Manager waives a requirement for a particular insurer such waiver is only valid for that
17 specific insurer and only for one policy term.
- 18 2) The CONTRACTOR must declare its insurance self-insured retention for each coverage
19 required herein. If any such self-insured retention exceed \$500,000 per occurrence each
20 such retention shall have the prior written consent of the County Risk Manager before the
21 commencement of operations under this Agreement. Upon notification of self-insured
22 retention unacceptable to the AUTHORITY, and at the election of the Country's Risk
23 Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured
24 retention as respects this Agreement with the AUTHORITY, or 2) procure a bond which
25 guarantees payment of losses and related investigations, claims administration, and defense
26 costs and expenses.

1 3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the
2 AUTHORITY with either 1) a properly executed original Certificate(s) of Insurance and
3 certified original copies of Endorsements effecting coverage as required herein, and 2) if
4 requested to do so orally or in writing by the County Risk Manager, provide original
5 Certified copies of policies including all Endorsements and all attachments thereto,
6 showing such insurance is in full force and effect. Further, said Certificate(s) and policies
7 of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days
8 written notice shall be given to the AUTHORITY prior to any material modification,
9 cancellation, expiration or reduction in coverage of such insurance. In the event of a
10 material modification, cancellation, expiration, or reduction in coverage, this CONTRACT
11 shall terminate forthwith, unless the AUTHORITY receives, prior to such effective date,
12 another properly executed original Certificate of Insurance and original copies of
13 endorsements or certified original policies, including all endorsements and attachments
14 thereto evidencing coverage's set forth herein and the insurance required herein is in full
15 force and effect. *CONTRACTOR shall not commence operations until the AUTHORITY*
16 *has been furnished original Certificate (s) of Insurance and certified original copies of*
17 *endorsements and if requested, certified original policies of insurance including all*
18 *endorsements and any and all other attachments as required in this Section, showing that*
19 *such insurance is in full force and effect. An individual authorized by the insurance carrier*
20 *to do so on its behalf shall sign the original endorsements for each policy and the*
21 *Certificate of Insurance.*

22 4) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance
23 shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles
24 and/or self-insured retention's or self-insured programs shall not be construed as
25 contributory.

26 5) If, during the term of this CONTRACT or any extension thereof, there is a material change
27 in the scope of services; or, there is a material change in the equipment to be used in the
28

1 performance of the scope of work; or, the term of this CONTRACT, including any
2 extensions thereof, exceeds five (5) years; the AUTHORITY reserves the right to adjust
3 the types of insurance and the monetary limits of liability required under this Construction
4 Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of
5 insurance carried by the CONTRACTOR has become inadequate.

6 6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of
7 subcontractors working under this CONTRACT.

8 7) The insurance requirements contained in this CONTRACT may be met with a program(s)
9 of self-insurance acceptable to the AUTHORITY.

10 8) CONTRACTOR agrees to notify AUTHORITY of any claim by a third party or any
11 incident or event that may give rise to a claim arising from this CONTRACT.

12 **ARTICLE 8**

13 **PROJECT CLOSEOUT**

14 8.1 Prior to occupancy of any dwelling unit, building, or completion of the PROJECT, AUTHORITY
15 shall receive a certificate from CONTRACTOR that PROJECT is ready for occupancy or use, and shall
16 cause a Notice of Completion to be issued. A Notice of Completion shall be issued only when the
17 WORK, including all phases thereof, is finally completed, and all requirements of this CONTRACT have
18 been satisfied. AUTHORITY shall cause the Notice of Completion to be recorded in the office of the
19 County Recorder.

20 8.2 In addition to all other requirements, a Notice of Completion shall be issued only when the
21 AUTHORITY has received the following:

- 22 1. A Certificate of Completion executed by the AUTHORITY.
- 23 2. All guarantees and warranties issued by the manufacturers or installers of appliances or
24 other component parts of the WORK. CONTRACTOR guarantees that the equipment, materials, and
25 workmanship, not otherwise covered by a guarantee or warranty, will be free from defects in materials
26 and workmanship for a period of one year following final acceptance of the project.

1 For all construction contracts awarded by AUTHORITY in excess of \$2,000, when required by Federal
2 Grant Program legislation, CONTRACTOR hereby agrees to comply with the Davis-Bacon Act (40
3 U.S.C, 276a to 276a-7) as supplemented in Department of Labor Regulations (29 CFR Part 5). A
4 prevailing wage rate including basic hourly rate and any fringe benefits) determined under State law shall
5 be inapplicable to a contract or AUTHORITY performed work item for the development, maintenance,
6 and modernization of a project (24 CFR Part 965.101).

7 9.1.4 Contract Work Hours and Safety Standards Act Sections 103 and 107

8 For all construction contracts awarded by the AUTHORITY in excess of \$2,000, and for other contracts
9 which involve the employment of mechanics or laborers awarded in excess of \$2,500, CONTRACTOR
10 agrees to comply with Sections 103 and 107 of the Contract Work Hours and Safety Act (40 U.S.C. 327-
11 330) as supplemented in Department of Labor Regulations (29 CFR Part 5).

12 9.1.5 Clean Air Act.

13 For all contracts in excess of \$100,000, the CONTRACTOR hereby agrees to comply with all applicable
14 standards, orders or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h),
15 Section 508 of the Clean Water Act (33 U.S. C. 1368), Executive Order 11738, and Environmental
16 Protection Agency regulations (40 CFR 15).

17 9.1.6 Energy Policy and Conservation Act.

18 The CONTRACTOR hereby agrees to comply with all mandatory standards and policies relating to
19 energy efficiency, which are contained in the state energy conservation plan issued in compliance with the
20 Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 781).

21 9.1.7 Labor Code Section 1861 Certification

22 By signing CONTRACT below, CONTRACTOR certifies that s/he/it is aware of the provisions of
23 Section 3700 of the California Labor Code which require every employer to be insured against liability
24 for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the
25 California Labor Code, and that s/he/it will comply with such provisions before commencing the
26 performance of the Work.

27 9.1.8 Government Standards.

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1 It is the responsibility of the CONTRACTOR to ensure that all items and services provided conform to all
2 local, State and Federal law concerning safety (CalOSHA) and environmental control (EPA and Riverside
3 County Pollution Regulations) and any other enacted ordinance, code, law or regulation. The
4 CONTRACTOR shall be responsible for all costs incurred for compliance with any such possible
5 ordinance, code, law or regulation. No time extensions shall be granted or financial consideration given to
6 the CONTRACTOR for time or monies lost due to violations of any such ordinance, code, law or
7 regulations that may occur.

8 **ARTICLE 10**

9 **ADDITIONAL FEDERALLY REQUIRED ORDERS/ASSURANCES**

10 10.1 CONTRACTOR agrees that s/he/it will comply with the following orders and directives, and
11 makes the following assurances, where applicable:

12 10.1.1 Executive Order 11061, as amended, which directs the Secretary of HUD to take all action
13 which is necessary and appropriate to prevent discrimination by agencies that utilize federal funds.

14 10.1.2 Title VI of the Civil Rights Act of 1964 (Public Law 88-352) provides that no person in the
15 United States shall, on the basis of race, color, national origin or sex, be excluded from participation in,
16 denied the benefits of, or subjected to, discrimination under any program or activity which receives
17 federal financial assistance. The AUTHORITY hereby extends this requirement to CONTRACTOR and
18 its subcontractors and consultants. Specific prohibited discriminatory actions and corrective action are
19 described in Chapter 2, Subtitle C, Title V of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 19901 et.
20 seq.).

21 10.1.3 Title VIII of the Civil Rights Act of 1968 (Public Law 90-824), popularly known as the
22 Fair Housing Act, provides for fair housing throughout the United States and prohibits any person from
23 discriminating in the sale or rental of housing, the financing of housing or the provision of brokerage
24 services, including in any way making unavailable or denying a dwelling to any person because of race,
25 color, religion, sex or national origin. Pursuant to this statute, the AUTHORITY requires that
26 CONTRACTOR administer all programs and activities, which are related to housing and community
27 development, in such a manner as affirmatively to further fair housing.

1 10.1.4 Age Discrimination Act of 1975.

2 10.1.5 Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et. seq.).

3 10.1.6 HUD Information Bulletin 909-23 which is the Notice of Assistance Regarding Patent and
4 Copyright Infringement; Clean Air and Water Certification; and Energy Policy and Conversation Act.

5 10.1.7 That the funds provided by AUTHORITY and HUD hereunder shall not be used, directly
6 or indirectly, to employ, award a contract to, or otherwise engage the services of any debarred, suspended
7 or ineligible contractor.

8 10.1.8 That none of the personnel who are employed in the administration of the WORK required
9 by this CONTRACT shall, in any way or to any extent, be engaged in conduct of political activities in
10 violation of Title V, Chapter 15, of the United States Code.

11 10.3 The mention herein of any statute or Executive Order is not intended as an indication that such
12 statute or Executive Order is necessarily applicable, nor is the failure to mention any statute or Executive
13 Order intended as an indication that such statute or Executive Order is not applicable. Therefore, each
14 provision of law and each clause, which is required by law to be inserted in this CONTRACT, shall be
15 deemed to have been inserted herein, and this CONTRACT shall be read and enforced as though such
16 provision or clause had been physically inserted herein. If, through mistake or otherwise, any such
17 provision is not inserted or is inserted incorrectly, this CONTRACT shall forthwith be physically
18 amended to make such insertion or correction upon the application of either part.

19 **ARTICLE 11**

20 **HUD SECTION 3 REQUIREMENTS**

21 11.1 As detailed within 24 CFR 135.38, Section 3 clause, the following required clauses are hereby
22 included as a part of this CONTRACT.

23 11.1.1 The work to be performed under this CONTRACT is subject to the requirements of
24 Section 3 of the Housing and Urban Development Act of 1968, as amended 12 U.S. C. 1701u (Section 3).
25 The purpose of Section 3 is to ensure that employment and other economic opportunities generated by
26 HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be
27 directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance.

1 11.1.2 CONTRACTOR agrees to comply with HUD's regulations in 24 CFR Part 135, which
2 implement Section 3. As evidenced by the execution of this CONTRACT, CONTRACTOR certifies that
3 s/he/it is under no contractual or other impediment that would prevent her/him/it from complying with the
4 Part 135 regulations.

5 11.1.3 CONTRACTOR agrees to send to each labor organization or representative of workers
6 with which the CONTRACTOR has a collective bargaining agreement or other understanding, if any, a
7 notice advising the labor organization or workers' representative of the CONTRACTOR'S commitments
8 under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where
9 both employees and applicants for training and employment positions can see the notice. The notice shall
10 describe the Section 3 preference, shall set forth minimum number and job titles for each; and the name
11 and location of the person(s) taking applications for each of the positions; and the anticipated date the
12 work shall being.

13 11.1.4 CONTRACTOR agrees to include this Section 3 clause in every subcontract subject to
14 compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provide in an
15 applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is
16 in violation of the regulations in 24 CFR Part 135. CONTRACTOR will not subcontract with any
17 subcontractor where the CONTRACTOR has notice or knowledge that the subcontractor has been found
18 in violation of the regulations in 24 CFR Part 135.

19 11.1.5 CONTRACTOR certifies that any vacant employment positions, including training
20 positions, that are filled (1) after CONTRACTOR is selected but before the contract is executed, and (2)
21 with persons other than those to whom the regulations of 24 CFR Part 135 require employment
22 opportunities to be directed, were not filled to circumvent the CONTRACTOR'S obligations under 24
23 CFR Part 135.

24 11.1.6 Noncompliance with HUD's regulations in 24 CFR Part 125 may result in sanctions,
25 termination of this CONTRACT for default, and debarment or suspension from future HUD assisted
26 contracts.

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1 11.1.7 With respect work performed in connection with Section 3 covered Indian Housing
2 assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e)
3 also applies to the work to be performed under this CONTRACT. Section 7(b) requires that to the greatest
4 extent feasible, (i) preference and opportunities for training and employment shall be given to Indians,
5 and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and
6 Indian-owned Economic Enterprises. Parties to this CONTRACT that are subject to the provisions of
7 Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in
8 derogation of compliance with section 7(b).

9 **ARTICLE 12**

10 **BREACH AND TERMINATION**

11 12.1 Waiver by AUTHORITY of any breach of this CONTRACT shall not constitute a waiver of any
12 other breach or of any future breach. No payment made hereunder shall be construed to be an acceptance
13 of defective work or improper materials.

14 12.2 Termination for Default (Cause) or Convenience as detailed in HUD 5370 General Conditions
15 Clause 32 and 34.

16 12.3 In addition to any right of termination reserved to AUTHORITY by Clause 32 or 34 of HUD 5370
17 General Conditions, the AUTHORITY may terminate this CONTRACT if the CONTRACTOR is
18 adjudged bankrupt, a receiver is appointed because of the CONTRACTOR'S insolvency, or the
19 CONTRACTOR makes a general assignment for the benefit of his/her creditors, fails to make prompt
20 payment to subcontractor(s), or for material or labor, persistently disregards laws, ordinances, rules,
21 regulations or orders of any public authority having jurisdiction, fails to construct the PROJECT in
22 accordance with the Drawings and Specifications, or otherwise substantially violates any provision of the
23 Contract Documents.

24 12.3 The AUTHORITY shall give the CONTRACTOR and his surety five (5) calendar days written
25 notice prior to terminating this CONTRACT pursuant to this section, provided however, that the
26 CONTRACTOR shall, upon receipt of such notice, immediately stop the installation of improvements or
27 other permanent construction work encompassing part of the PROJECT. Upon termination, the
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1 AUTHORITY may take possession of the PROJECT and all materials, equipment, tools and construction
2 equipment and machinery owned by the CONTRACTOR and located at the PROJECT site and may
3 finish the PROJECT by whatever method it may deem expedient. In such case, the CONTRACTOR shall
4 not be entitled to receive any further payment under this CONTRACT.

5 12.4 The AUTHORITY shall not be deemed to have waived any of its other rights or remedies against
6 the CONTRACTOR by exercising its right of termination under this section.

7 12.5 Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a
8 right or rights provided for by this CONTRACT shall be tried in a court of competent jurisdiction in the
9 County of Riverside, State of California, and the parties hereby waive all provisions of law providing for
10 a change of venue in such proceedings to any other county.

11 **ARTICLE 13**

12 **MISCELLANEOUS PROVISIONS**

13 13.1 CONTRACTOR shall give all notices and comply with all laws, rules, regulations, ordinances and
14 orders of any governmental entity relating to the Work. Should CONTRACTOR become aware that any
15 provisions of this CONTRACT are at variance with any such rule, law, regulation, ordinance or order;
16 he/she shall promptly give notice in writing to AUTHORITY of such variance.

17 13.2 The Contracting Officer, as defined in the General Conditions, must be notified in writing by the
18 CONTRACTOR within ten (10) calendar days of any and all backordered materials and/or any
19 incomplete services, and the estimated delivery date. Unless otherwise stipulated in the Contract
20 Documents, any order that will take more than a maximum of ten (10) calendar days past the original
21 agreed upon delivery date, may at the option of the AUTHORITY, be canceled and ordered from another
22 source, if, in the opinion of the Contracting Officer, it is in the best interests of the AUTHORITY to do
23 so.

24 13.3 It is hereby declared to be the intention of the parties that the sections, paragraphs, sentences,
25 clauses and phrases of this CONTRACT are severable, and if any phrase, clause, sentence, paragraph or
26 section of this CONTRACT shall be declared unconstitutional, invalid or unenforceable by the valid
27 judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity or

1 unenforceability shall not affect any of the remaining clauses, sentences, paragraphs and sections of this
2 CONTRACT.

3 13.4 In the event of a conflict between the HUD 5370 General Conditions and the Specifications, the
4 General Conditions shall prevail. In the event of a conflict between the contract and any applicable state
5 or local law or regulation, the state or local law or regulation shall prevail; provided that such state or
6 local law or regulation does not conflict with, or is less restrictive than applicable federal law, regulation,
7 or Executive Order. In the event of such a conflict, applicable federal law, regulation, and Executive
8 Order shall prevail.

9 13.5 The persons executing this CONTRACT on behalf of the parties warrant and represent that they
10 have the authority to execute this CONTRACT on behalf of each respective party and further warrant and
11 represent that they have the authority to bind each respective party to the performance of its obligation
12 hereunder.

13 **(Remainder of Page Intentionally Blank)**

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15 **(Signatures on next page)**

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1 THIS AGREEMENT IS OF NO FORCE OR EFFECT UNTIL APPROVED BY THE HOUSING
2 AUTHORITY OF THE COUNTY OF RIVERSIDE'S BOARD OF COMMISSIONERS AND
EXECUTED BY ITS CHAIRMAN.

3 IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year set forth
4 below.

5 **SELLER:**

BUYER:

6 HOUSING AUTHORITY OF
7 THE COUNTY OF RIVERSIDE, a public
8 entity, corporate and politic, in its capacity
9 as housing successor to the Redevelopment
Agency for the County of Riverside

Diversified Pacific Development, Inc., a California
corporation

10 By: 

11 John Tavaglione, Chairman
12 Board of Commissioners

By: 

Alfredo Martinez, President

13 Dated: MAR 21 2017

Dated: 2/21/17

15 ATTEST:
16 KECIA HARPER-IHEM

17 Clerk of the Board

18 By: 

19 Deputy

20 APPROVED AS TO FORM:
21 GREGORY P. PRIAMOS
22 COUNTY COUNSEL

23 By:  2/21/17

24 Neal Kipnis,
25 Deputy County Counsel

1 **Exhibit "A"**

2 **Scope of Work**

- 3 1. The work under this IFB shall be performed at the Banning Townhomes located in the City of
4 Banning, State of California and shall include furnishing all labor, material, equipment, tools,
5 supplies, services and incidentals, and performing all work necessary for the renovation of
6 kitchen, baths, and flooring of fourteen (14) residential units and associated improvements in
7 strict conformance with all of the Contract documents.
- 8 2. All residential units will be occupied during the entire demolition and construction process.
9 Construction planning and scheduling MUST take into account that each resident requires 48
10 hours' notice prior to unit entry. Each resident MUST have a functioning stove, kitchen sink,
11 bathroom and bedroom at the end of every work day. The HACR requires the successful bidder
12 to have a complete construction plan schedule prior to starting work and to have that plan
13 approved by the project manager or his designee, five (5) calendar days prior to the projected
14 start date.
- 15 3. Plans provided: Sheet nos. T1.0 (Banning Apartments Title Sheet), A0.1 (Site Plan), A2.0 (Floor
16 Plan Two Story Units), A2.1 (Floor Plan Accessible Unit), A3.0 (Kitchen Plan Two Story
17 Units), A3.1 (Kitchen Plan Accessible Unit) from Pearson Architects, Inc. approved by the
18 HACR dated December 14, 2016 are a part of the scope of work.
- 19 4. Contractor to supply and install new cabinets, countertops, sink, faucet, garbage disposal and
20 range hood in all kitchens. Sizes, color and model numbers per plans unless indicated otherwise.
21 Kitchen walls shall be cleaned, patched and painted before the installation of new cabinets,
22 counters, fixtures and appliances.
- 23 5. Contractor to supply and install new toilet, cabinet, faucet, vanity and countertop with integral
24 sink in all bathrooms. Sizes, color and model numbers per plans unless indicated otherwise.
25 Walls shall be cleaned, patched and painted to match existing walls, if needed, before the
26 installation of new cabinets, counters, fixtures.
- 27 6. All equipment, cabinets, fixtures, appliances and finishes as listed in Banning plans shall be new
28 and not used or refurbished. NOTE: Any "equivalent" new equipment, appliances, fixtures and
finishes manufactured with similar specifications can be utilized for this project. Any other new
product or brand that clearly or demonstrably meets the standards and specifications as outlined
per plans is acceptable.
7. Contractor to carefully remove and replace all furniture, appliances, and other large or bulk
items and furniture as necessary to properly remove and install new flooring and complete all
other renovations. Residents will be responsible for all dishware, food and smaller items inside
cabinets and on countertops.

- 1 8. All cabinets to be built or pre-built to specifications listed in Banning Apartments Plans A3.0
2 through A3.1. Standard available colors only, no custom colors. Final color to be determined by
3 project manager prior to ordering.
- 4 9. Contractor will be responsible for modifying door bottoms to accommodate the height of the
5 new flooring if required.
- 6 10. Contractor to furnish and install new angle stop valves and new flexible supply lines for sinks
7 and toilets.
- 8 11. Contractor to furnish and install cement backer board for second story areas that are to receive
9 new tile.
- 10 12. Contractor to furnish and install 6" Rubber wall base for all carpeted areas. Color to be
11 determined by HACR Representative at a later date.
- 12 13. The one (1) handicap residential unit to be renovated must meet current ADA requirements
13 during all phases of work. No work is to be performed in the one (1) existing ADA bathroom.
- 14 14. All tools, materials, and equipment shall be provided by the contractor and must meet all local
15 applicable safety requirements. A parking space will be made available for contractor's
16 container if needed for materials and equipment. The HACR assumes no responsibility for the
17 loss or damage to the contractor's equipment, tools or materials stored at the job site.
- 18 15. Contractor shall furnish sufficient personnel with the technical knowledge and experience
19 necessary to complete the work.
- 20 16. All work shall be performed in accordance with local safety standards and recognized safe
21 practices.
- 22 17. Contractor to ensure proper removal of all debris and all other components from the site and
23 shall provide a cleared site free of all debris, contractor equipment, etc. HACR refuse containers
24 will not be allowed to be used for disposal of contractors waste.
- 25 18. Field Verification: Contractor is responsible to field verify existing conditions and promptly
26 notify the HACR if discrepancies in and omissions from the plans, specifications or other
27 contract documents are found in the field, including unforeseen conditions that may affect the
28 successful completion of the project and/or work.
19. The Contractor's proposed work schedule is required five (5) working days before the project is
to begin, in order for the HACR or HACR's designee to give residents forty-eight (48) hours'
notice before the Contractor may enter any building.
20. Contractor will perform a final walk-through inspection with a HACR representative before the
project will be considered complete and finished.

Exhibit "B"

IFB 2016-010

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Exhibit "C"

Contractor's Form of Bid

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