



**Berkeley Housing Authority**

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*Office of the Executive Director*

Item 8B  
ACTION CALENDAR  
March 11, 2010

To: Honorable Chairperson and  
Members of the Berkeley Housing Authority Board

From: *for* Tia M. Ingram, Executive Director

Subject: Amending the contract with Cornerstone Select Builders, Inc. increasing the contract authority by \$17,605, for a total not to exceed \$174,000.

RECOMMENDATION

Authorize the Executive Director to execute a contract amendment with Cornerstone Select Builders, Inc. ("Cornerstone") increasing the contract authority by \$17,605, for a total not to exceed \$174,000.

BACKGROUND

On April 22, 2009 the Housing Authority issued a bid solicitation for the rehabilitation of three vacant units in the Low Income Public Housing program (1402 Martin Luther King, Jr. Way; 2798 Sacramento St #A; 2729 Sojourner Truth Way). On October 8, 2010, the Board awarded the contract to Cornerstone.

Work is scheduled for completion on or before March 15<sup>th</sup>, and we anticipate leasing the newly rehabilitated units by April 1, 2010. We will do everything we can to expedite occupancy of the units to avoid vandalism, including waiving a portion of the rent if the family must provide 30-day notice to an existing landlord.

The increase of \$17,605 represents changes orders for items damaged by vandalism and/or items that after closer investigation/destructive testing, were deemed more efficient to replace rather than repair:

- Replacement of damaged windows (all the windows were broken out at the Sojourner Truth Ct location); and,
- Removal and replacement of exterior doors; and,
- Removal and replacement of tub/shower valve in bathrooms; and,
- Removal and replacement of light fixtures; and,
- Armed security that was provided following two criminal incidents experienced by workers on the project.

To put this in perspective with the larger, more comprehensive rehabilitation anticipated as part of the repositioning project, the total average cost per unit for this base-line rehabilitation is estimated at \$58,000.

FISCAL IMPACTS OF RECOMMENDATIONS

\$17,605. Funds have been budgeted from the Section 108 loan balance; Capital Fund monies from prior years not used for Operations; and LIPH reserve account.

CONTACT PERSON

Tia M. Ingram, Executive Director, 981-5471

Jesy Yturalde, Finance Manager, 981-5488

Attachment:

1. Resolution

BERKELEY HOUSING AUTHORITY  
RESOLUTION NO. 10-

AUTHORIZING AMENDMENT OF THE CONTRACT WITH CORNERSTONE SELECT BUILDERS, INC. INCREASING THE CONTRACT BY \$17,605, FOR A TOTAL NOT TO EXCEED \$174,000, FOR THE REHABILITATION OF THREE VACANT UNITS IN THE LOW INCOME PUBLIC HOUSING PROGRAM .

WHEREAS, the Berkeley Housing Authority is the owner/landlord for 61 units of Low Income Public Housing; and

WHEREAS, the Berkeley Housing Authority is required by the U.S. Department of Housing and Urban development HUD) to maintain the units and lease them to eligible families; and

WHEREAS, the Berkeley Housing Authority relies upon contractors for all maintenance activities; and

WHEREAS, the vacant units at 1402 Martin Luther King Jr. Way, 2798 Sacramento Street #A and 2729 Sojourner Truth Way were severely distressed when they were vacated by the previous tenant and necessitate more than typical turn-over activities prior to leasing; and

WHEREAS, the Berkeley Housing Authority developed a specification for the required repairs and solicited bids; and

WHEREAS, eleven change orders (additional work) were required to complete the project; and

WHEREAS, in the opinion of our arthitect the additional work was necessary, and the cost reasonable;

WHEREAS, the Procurement Policy does not provide for the Executive Director approving change orders in situations where the total cost exceeds \$50,000.

NOW THEREFORE, BE IT RESOLVED, that the Executive Director amend the contract with Cornerstone Builders, increasing the contract amount y \$17,605, for a total not to exceed \$174,000, for the rehabilitation of the units located at 1402 Martin Luther King Jr. Way, 2798 Sacrament Street #A, and 2729 Sojourner Truth Court.

The foregoing Resolution was adopted by the Board of the Berkeley Housing Authority on March 11, 2010 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Attest: \_\_\_\_\_  
Tia M. Ingram, Secretary