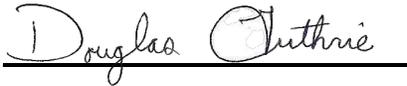


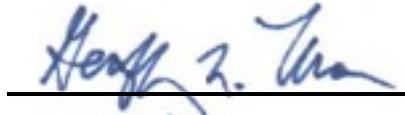
REPORT OF THE PRESIDENT AND CEO

August 25, 2022

RESOLUTION AUTHORIZING EXECUTION OF A CONTRACT WITH RESOURCE ENVIRONMENTAL, INC. FOR THE DEMOLITION OF THIRTY-FOUR (34) RESIDENTIAL STRUCTURES AND RELATED IMPROVEMENTS AT THE JORDAN DOWNS PUBLIC HOUSING COMMUNITY PURSUANT TO AWARD UNDER IFB-2022-103-NF, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1,654,400



Douglas Guthrie
President and CEO



Geoffrey Moen
Director of Development Services

Purpose: To authorize the President and CEO to execute a contract with Resource Environmental, Inc. ("REI") as the lowest, responsive and responsible bidder in connection with the demolition of thirty-four (34) residential structures containing a total of two hundred twenty-nine (229) units, seven (7) surface parking lots and related improvements located in Areas H2B, S4, S5, P2, and S8A in the Jordan Downs public housing community, for a total amount not to exceed One Million, Six Hundred Fifty-Four Thousand, Four Hundred Dollars (\$1,654,400) pursuant to award under IFB-2022-103-NF. Details concerning how the proposed total contract award was calculated are provided in the Procurement subsection below.

Regarding: On June 28, 2012, by Resolution No. 8969, HACLA's Board of Commissioners ("BOC") unanimously authorized the President and CEO to execute a Master Development Agreement ("MDA") with Jordan Downs Community Partners, LLC, ("Master Developer"), a joint venture of the BRIDGE Housing Corporation ("BRIDGE") and The Michaels Development Company I, L.P., a New Jersey limited partnership ("Michaels"), for the redevelopment of Jordan Downs. The MDA between HACLA and the Master Developer was executed on August 1, 2012 and subsequently amended with Board approval on December 22, 2016, by Resolution No. 9327 and on April 28, 2016, by Resolution No. 9282. Under the MDA, HACLA is responsible for demolishing all existing structures and preparing the property for new development.

Issues: HACLA began demolition activities on legacy Jordan in 2017 in order to clear four buildings to meet the development envelope of the first phase of Jordan Downs' redevelopment. Since that time, HACLA has entered into three (3) contracts for demolition services and completed the demolition of 30 buildings, representing roughly 30% of the site. As new buildings come online through the "build first" model residents of legacy Jordan are finding new homes. As of the last Quarterly Report to the Board of Commissioners in July 2022, there were 381 occupied units remaining at Jordan Downs. This number will continue to reduce as Park Place completes occupancy and Oak Terrace begins lease up this fall, leaving additional vacant and partially vacant buildings and requiring HACLA to initiate a new demolition contract to prepare future parcels for development and address safety and security issues presented by vacant buildings as quickly as possible.

The number of buildings/units in the demolition area are as follows:

| Phase | # Buildings | # Units |
|--------------|--------------------|----------------|
| H2B | 8 | 52 |
| S4 | 8 | 60 |
| S5 | 8 | 52 |
| P2 | 8 | 52 |
| S8A | 2 | 13 |
| TOTAL | 34 | 229 |

of Surface Parking lots **7**

The residents of these units will be given an option to relocate to the Park Place, Oak Terrace and S2 newly constructed developments at Jordan Downs, relocate to offsite housing using a Section 8 voucher or, subject to availability, relocate to another public housing site. Individual household relocation has begun, and all residents are expected to be successfully relocated in accordance with their choice preference within the next eight months. HACLA has received HUD's approval of the phased demolition/disposition through the Section 18 Demolition/Disposition award for the Jordan Downs public housing community.

When these areas are demolished, the total number of demolished buildings and units will be 64 and 476, respectively. Which represent 70% and 62% of the total number of buildings and units in the entire Jordan Downs Redevelopment site.

Procurement

On July 5, 2022, HACLA issued Invitation for Bid (IFB) HA-2022-103-NF for the abatement and demolition of thirty-four (34) two-story residential townhome buildings and seven (7) parking lots and other improvements located in Areas H2B, S4, S5, P2, and S8A of the Jordan Downs public housing community in South Los Angeles. The work will be performed in two separate demolition phases. The IFB specified the licensing and certifications required to qualify for the contract award and required bidders to demonstrate at least five (5) years' experience performing on a minimum of five (5) projects of similar character and scope. The IFB was advertised on the Regional Alliance Marketplace for Procurement ("RAMP") website starting on July 5, 2022, until the bid submission deadline on August 5, 2022, for a total of thirty-one (31) days.

On August 5, 2022, a total of four (4) bids were received. The following table identifies the bids from lowest to highest priced.

| | Resource Environmental, Inc. | Interior Demolition, Inc. | Integrated Demolition and Remediation, Inc. | SVG Contractors, Inc. |
|---|-------------------------------------|----------------------------------|--|------------------------------|
| Base Bid Services | \$1,282,000 | \$1,562,867 | \$1,715,000 | \$2,275,076 |
| Allowance Item(s) | Extended Price | Extended Price | Extended Price | Extended Price |
| Soil Disposal (assumed 100 tons) | \$18,000 | \$20,000 | \$17,000 | \$10,300 |
| Buried Inert Debris Disposal (assumed 100 tons) | \$18,000 | \$10,000 | \$14,000 | \$12,000 |
| Import of Clean Soil (assumed 100 tons) | \$5,000 | \$10,000 | \$5,000 | \$8,100 |
| Gov't Permits & Fee | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| | | | | |
| TOTAL BID AMOUNT (Includes Base Bid plus allowances) | \$1,398,000 | \$1,677,867 | \$1,826,000 | \$2,380,476 |

As reflected in the Summary of Procurement and Outreach Activities (Attachment 3), the General Services Department, with assistance from Development Services, reviewed and evaluated all bids and determined that the bid submitted by REI is the lowest, responsive and responsible bid and that the bid sum is reasonable. More information concerning bid and bidder evaluations is included in the Summary of Procurement and Outreach Activities.

Development Services recommends award of a contract to Resource Environmental, Inc. in the sum of \$1,654,400, which includes the Base Bid sum, an allowance of \$41,000 for the excavation, removal, hauling, and disposal of excess soil and debris, and the import of clean soil, an allowance of \$75,000 for permits and fees, and a contingency of \$256,400 (20% of the base bid) detailed as follows:

| Bid Item | Description of Work | Bid Price |
|-----------------|---|--------------------------------------|
| 1 | Base Bid | \$1,282,000 (fixed sum) |
| Allowance 1 | Disposal of soil described at Part III, paragraph A of the SOW | \$18,000 (not-to-exceed 100 tons) |
| Allowance 2 | Disposal of Buried Inert Debris described at Part III, paragraph A of the SOW | \$18,000 (not-to-exceed 100 tons) |
| Allowance 3 | Import of Clean Soil described at Part III, paragraph B of the SOW | \$5,000 (not-to-exceed 100 tons) |
| Allowance 4 | Permits and Fees | \$75,000 (not-to-exceed) |
| Contingency | As needed – requires approved change order (20%) | \$256,400 (not-to-exceed) |
| TOTAL | | \$1,654,400 |

Resident Safety

Although the buildings in the demolition area will be vacant, they are located adjacent to occupied public housing units. Therefore, HACLA and its recommended contractor shall take special measures to ensure the safety and health of all residents in and around the demolition site. Several measures will be taken to minimize the environmental impact of the abatement and demolition project. The contractor will file a notification with the South Coast Air Quality Management District (SCAQMD) prior to the commencement of the project. SCAQMD will conduct random site inspections to ensure all rules and regulations are being followed. A third-party Environmental Consultant hired by the Authority will provide project oversight services including air monitoring and clearance sampling during and after abatement and remediation activities. Once these activities have been completed and cleared by the Environmental Consultant demolition can begin. During the demolition phase, the contractor will use dust suppression measures to minimize release of fugitive dust. The Authority's staff, including its Environmental Coordinator and Construction Manager, will make periodic visits and conduct spot checks during this process and will have the authority to stop the project if these protective measures are not followed.

According to the Department of Toxic Substances Control, unless an Environmental Site Assessment (Phase I) report or an Environmental Impact Report (EIR) call for a Phase II or further testing, no soil samples will be collected and tested prior to the demolition phase. A Phase I report dated August 18, 2021 prepared by Rincon Consultants and concluded, however, that additional investigation was required. Rincon Consultants took soil samples around the structures and found limited areas of impacted soil and recommended removal. Impacted soil removed from the site will be transported to an approved facility certified by the State for proper handling and disposal. Concrete foundations removed from the site will be transported to a crushing facility, which may test the material on an as-needed basis.

Vision Plan: PLACE Strategy #1: Stabilize the physical and financial viability of the conventional public housing portfolio.

The demolition of these 229 units will allow for the development of multiple phases of development that will produce a minimum of 378 units of which 168 units will be replacement units for existing Jordan Downs residents. These developments will further HACLA's goals of improving its affordable housing stock as well as improved ADA-compliant, modern, sustainably designed, and amenitized units. This action will help HACLA extend the life of critical, deeply affordable housing in the City of Los Angeles to serve existing public housing residents and future income-qualified households from HACLA's active public housing and Section 8 wait lists as well as from the community of Watts.

Funding: The Chief Administrative Officer confirms the following:

Source of Funds:

The cost for demolition and related improvements located in Areas H2B, S4, S5, P2, and S8A in the Jordan Downs public housing community will be paid by unrestricted funds that are available from proceeds realized through the acquisition/rehab of Pueblo del Sol re-syndication.

Budget and Program Impact:

A 20% contingency is included based on finding significant areas of previously unknown buried debris in each of the prior demolition phases requiring Board approval for additional mitigation funds. Use of these funds is an effective approach to maintain deeply affordable units in public housing conversion projects. The use of HACLA resources to support the preservation and expansion of affordable housing is aligned with the Authority's budget and program goals. These costs are anticipated in the FY2022 Budget.

Environmental Review:

CEQA:

The City of Los Angeles is the lead agency for the Jordan Downs Redevelopment for purposes of the California Environmental Quality Act ("CEQA"). The City of Los Angeles, acting through its City Planning Department, approved a larger project under the Jordan Downs Urban Village Specific Plan (1,800 residential units; up to 250,000 square feet of commercial/retail/office plus up to 20,000 square feet of community-service retail and services in mixed use buildings; a network of parks totaling 8.9 acres; and new community facilities), and its associated Environmental Impact Report ("EIR") and required findings on April 17, 2013 (ENV-2010-32-EIR). Two addendums to the EIR were prepared on January 11, 2016 and April 4, 2016 respectively to address additional impacts not considered in the EIR as the result of a proposed Specific Plan Amendment. On April 14, 2016, the City Planning Commission found based on the whole of the administrative record that no subsequent or supplemental EIR or negative declaration was required. The Phases H2B, S4, S5, and S8A redevelopment as contemplated in their current conceptual plans provided to HACLA is consistent with the Specific Plan and its Amendment (CPC-2015-3990-GPA-ZC-SP). However, the final plans will be reviewed by the BOC at such time as it considers the Ground Lease and Disposition and Development Agreement, and a final design and construction drawings are complete to ensure consistency. Phases H2B, S4, S5, and S8A will be subject to the imposition of various measures contained in the Specific

Plan's conditions of approval, including Mitigation Monitoring.

NEPA: N/A Source of funding will be strictly non-federal uncommitted funds from HACLA's non-public Housing Portfolio.

SECTION 3:

Resource Environmental, Inc. has submitted an Economic Opportunity Plan ("EOP") in conformity with the requirements of HACLA's Section 3 Policy and Compliance Plan. Under its EOP, Resource committed to hiring two (2) Section 3 Workers in construction trades. Additionally, its security subcontractor committed to hiring twelve (12) Section 3 Workers to provide security services.

Attachments:

1. Resolution
2. Jordan Downs Site Plan
3. Summary of Procurement and Outreach Activities

ATTACHMENT 1

RESOLUTION AUTHORIZING EXECUTION OF A CONTRACT WITH RESOURCE ENVIRONMENTAL, INC. FOR THE DEMOLITION OF THIRTY-FOUR (34) RESIDENTIAL STRUCTURES AND RELATED IMPROVEMENTS AT THE JORDAN DOWNS PUBLIC HOUSING COMMUNITY PURSUANT TO AWARD UNDER IFB HA-2022-103-NF, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1,654,400

WHEREAS, the Housing Authority of the City of Los Angeles (“HACLA”) intends to transform the Jordan Downs public housing community into a mixed-income, mixed-use, environmentally friendly, vibrant urban village, conducive to healthy living and economically progressive conditions;

WHEREAS, HACLA is preparing to begin the fourth phase of the Jordan Downs redevelopment and desires to demolish thirty-four (34) residential structures located in Areas H2b, S4, S5, P2, and S8A, seven (7) surface parking lots and related improvements;

WHEREAS, on July 5, 2022, HACLA issued Invitation for Bid (IFB) HA-2022-103-NF for the abatement and demolition of thirty-four (34) two-story residential townhome buildings located in Areas H2(b), P2, S4, S5 and S8A of HACLA’s Jordan Downs public housing community;

WHEREAS, by the submission deadline of August 5, 2022, a total of four (4) bids were received and publicly opened; and

WHEREAS, as detailed in the Report of the President and CEO of the same date herewith, the bid submitted by Resource Environmental, Inc. (“RE”) was determined to be lowest responsive and responsible bid and the Board of Commissioners (the “Board”) desires to award RE a contract in the total amount not-to-exceed One Million, Six Hundred Fifty-Four Thousand, Four Hundred Dollars (\$1,654,400), pursuant to award under IFB-2022-103-NF.

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the President and CEO, or designee, to execute a contract with RE, in a total amount not to exceed \$1,654,400, pursuant to award under IFB-2022-103-NF.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately.

APPROVED AS TO FORM:

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

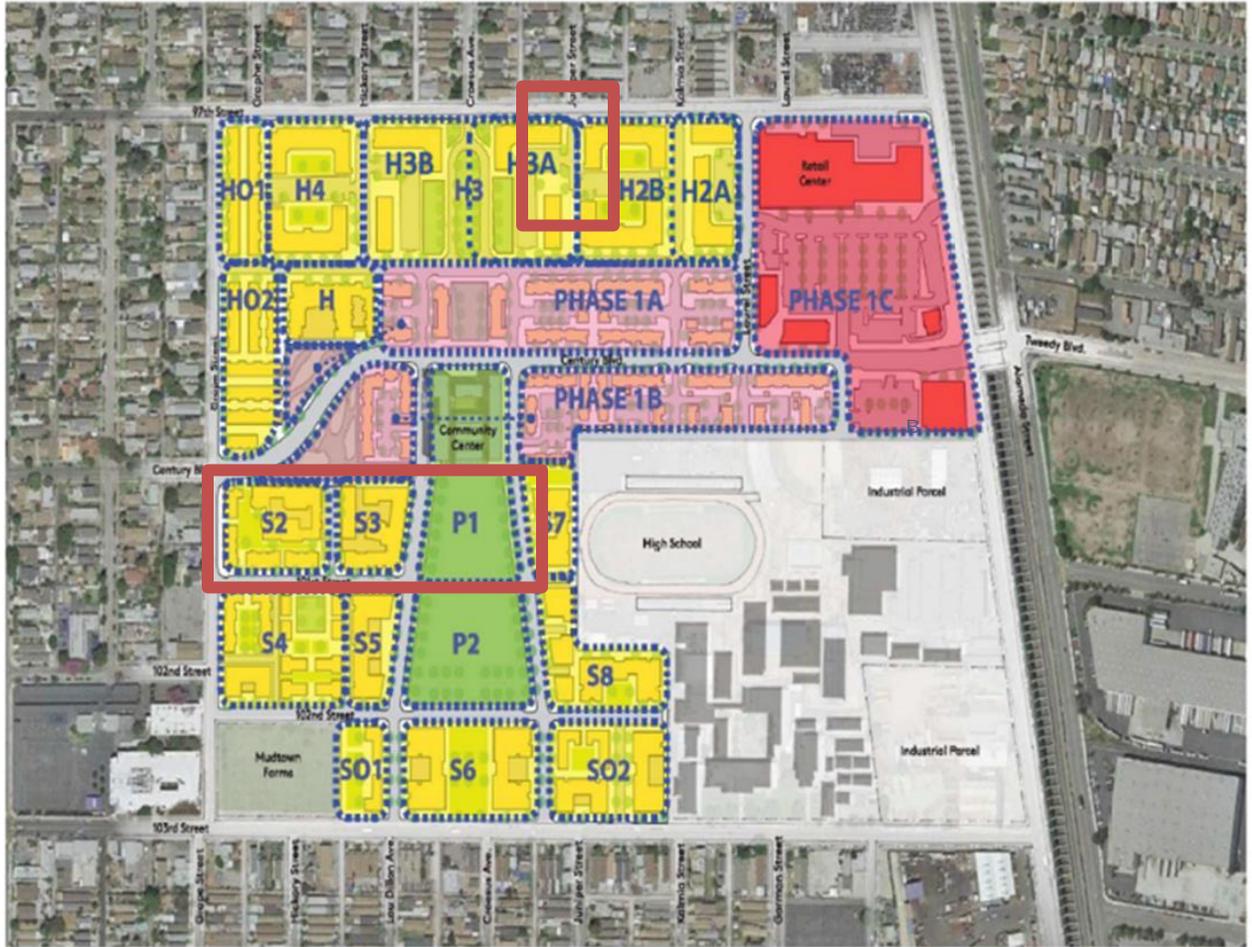
By: _____
James Johnson, General Counsel

By: _____
Cielo Castro, Chairperson

DATE ADOPTED: _____

ATTACHMENT 2

Jordan Downs Site Plan



JORDAN DOWNS SITE PLAN / OCTOBER 24, 2019



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ATTACHMENT 3

Summary of Procurement and Outreach Activities

IFB No. HA-2022-103-NF

Demolition at Jordan Downs Areas H2B, P2, S4, S5, and S8A

A. Funding Source

Federal Non-Federal Mixed Funding

B. Advertisement; Minority/Women Outreach

General Services advertised the Invitation for Bid (“IFB”) on the Regional Alliance Marketplace for Procurement (“RAMP”) website starting on July 5, 2022, until the bid submission deadline on August 5, 2022, for a total of thirty-one (31) days. A total of (190) vendors viewed the IFB on the RAMP website.

In support of HACLA’s policy to contract with Minority-Owned Business Enterprises (“MBEs”), Women-Owned Business Enterprises (“WBEs”) and Labor Surplus Area (“LSAs”) businesses for the delivery of goods and services to the extent possible, notice of this IFB was provided to the businesses identified on HACLA’s list of recognized MBE’s/WBE’s and to the local office of the U.S. Small Business Administration (“SBA”) for their further dissemination (see below).

C. Job Walk In lieu of Pre-Bid Conference

A pre-bid conference was not held due to COVID-19 restrictions. HACLA offered an optional job-walk session on July 12, 2022. A total of eight (8) vendors participated in the job-walk including the three (3) lowest priced bidders that submitted bids.

D. Addenda

On July 27, 2022, Addendum No. 1 was posted on the RAMP website in response to questions received by the submission deadline of July 15, 2022.

E. Sealed Bids Received and Opened

The sealed bids were due by 11:00 a.m., on August 5, 2022. Due to COVID-19 restrictions, HACLA conducted a virtual real-time bid opening (via GoTo Meeting) where a total of four (4) sealed bids were received and opened.

The following base bid and allowance amounts were recorded:

| Contractor Name | Resource Environmental, Inc. | Interior Demolition, Inc. | Integrated Demolition and Remediation, Inc. | SVG Contractors, Inc. |
|--|-------------------------------------|----------------------------------|--|------------------------------|
| Base Bid Services | \$1,282,000 | \$1,562,867 | \$1,715,000 | \$2,275,076 |
| Allowance Item(s) | Extended Price | Extended Price | Extended Price | Extended Price |
| Disposal of soils (assumed 100 tons) | \$18,000 | \$20,000 | \$17,000 | \$10,300 |
| Disposal of Inert Debris (assumed 100 tons) | \$18,000 | \$10,000 | \$14,000 | \$12,000 |
| Import of clean soil (assumed 100 tons) | \$5,000 | \$10,000 | \$5,000 | \$8,100 |
| Permit & Fee | \$75,000 | \$75,000 | \$75,000.00 | \$75,000 |
| | | | | |
| TOTAL BID AMOUNT (Includes Base Bid plus allowance) | \$1,398,000 | \$1,677,867 | \$1,826,000 | \$2,380,476 |

Bid abstract results were posted at: <http://www.hacla.org/contractingprocess>.

F. Review of Bids for Responsiveness and Bidder Responsibility

The Contract Administrator, with the assistance of the Section 3 Compliance Administrator and the Development Services Department, determined that the apparent lowest bidder, Resource Environmental, Inc. ("REI"), was the lowest responsive and responsible bidder.

G. Workforce Profile

REI submitted a Workforce Profile that revealed the following workforce composition:

| <u>Company</u> | <u>Employees</u> |
|------------------------------|--|
| Resource Environmental, Inc. | Total: 107 91 minorities = 85% 6 women = 18% |

H. Recommendation for Award; Price Reasonableness Determination

The General Services Department has determined that the bid submitted by REI is the lowest, responsive and responsible bid, and that the bid sum is price reasonable. All bids received were

significantly lower than the Independent Cost Estimate (“ICE”), which was prepared based on previous demolition projects at the site. However, at the time the ICE was prepared, the amount of soil remediation required for this project was unknown. Thereafter soil reports revealed that the soil remediation required for this project is much smaller than the previous two phases. The soil reports were included in the IFB package, which explains why the bids received, including REI’s bid were lower than the ICE.

The Development Services Department also reviewed each of the bid packages. Staff from both General Services and Development Services then discussed the bid pricing and REI’s qualifications. Following such discussions, Development Services Department concurred with General Services’ determination that REI’s bid is reasonable, and they are qualified to perform the work.

The Development Services Department recommends REI for contract award as noted above. The total recommended contract award is comprised of the following sums:

| Bid Item | Description of Work | Bid Price |
|-----------------|---|--------------------------------------|
| 1 | Base Bid | \$1,282,000 (fixed sum) |
| Allowance 1 | Disposal of soil described at Part III, paragraph A of the SOW | \$18,000 (not-to-exceed 100 tons) |
| Allowance 2 | Disposal of Buried Inert Debris described at Part III, paragraph A of the SOW | \$18,000 (not-to-exceed 100 tons) |
| Allowance 3 | Import of Clean Soil described at Part III, paragraph B of the SOW | \$5,000 (not-to-exceed 100 tons) |
| Allowance 4 | Permits and Fees | \$75,000 (not-to-exceed) |
| Contingency | As needed – requires approved change order (20%) | \$256,400 (not-to-exceed) |

All bidders were notified of this contract award recommendation and the date of the Board of Commissioners meeting where award of the contract will be considered.

MBE/WBE ORGANIZATIONS MAILING LIST

| | |
|----|---|
| 1 | American Indian Chamber of Commerce |
| 2 | Asian American Architects and Engineers Association |
| 3 | Asian Business Association of Los Angeles |
| 4 | Asian Business League of Southern California |
| 5 | Asian Pacific Islander Small Business Program |
| 6 | Black Business Association |
| 7 | Build Plus Community Marketplace |
| 8 | California Hispanic Chamber of Commerce |
| 9 | Greater L.A. African American Chamber of Commerce (GLAAACC) |
| 10 | Greater San Fernando Valley Chamber of Commerce |
| 11 | Korean American Chamber of Commerce |
| 12 | LA Metropolitan Hispanic Chamber of Commerce |
| 13 | Latin Business Association (LBA) |
| 14 | Los Angeles Area Chamber of Commerce |
| 15 | Los Angeles Area Chamber of Commerce |
| 16 | Los Angeles Latino Chamber of Commerce |
| 17 | Los Angeles Minority Business Development Agency (MBDA) Business Center |
| 18 | Los Angeles Minority Business Enterprise Center USC (MBDA) |
| 19 | National Association of Minority Contractors |
| 20 | National Association of Women Business Owners Los Angeles |
| 21 | National Black Contractors Association |
| 22 | National Latina Business Women Association (NLBWA-LA) |
| 23 | Pacific Asian Consortium in Employment (PACE) Business Center |
| 24 | Pacific Coast Regional Small Business Development Corp (SBDC) |
| 25 | Regional Black Chamber of Commerce of San Fernando Valley |
| 26 | Regional Hispanic Chamber of Commerce |
| 27 | Small Business Majority |
| 28 | Southern California Black Chamber of Commerce |
| 29 | Southern California Minority Supplier Development Council |
| 30 | The New Ninth Business Resource Center |
| 31 | US Black Chamber of Commerce |
| 32 | US Small Business Administration |
| 33 | US Veteran Business Alliance |
| 34 | Valley Economic Development Center/Women's Business Center |
| 35 | Vermont Slauson Economic Development Corporation |
| 36 | Vernon Network Committee |
| 37 | Young Black Contractors Association |