



May 10, 2024

TO: CADA Board of Directors

**SUBJECT: May 17, 2024 Board Meeting
AGENDA ITEM 5
SOMERSET APARTMENTS REMODEL PROJECT (7 UNITS)**

CONTACT PERSON: Frank Czajka, Construction Manager
Russ Juneau, Facility Maintenance Manager

RECOMMENDATION

Staff recommends the Board adopt the attached resolution (Attachment 3), authorizing the Executive Director, or her designee, to enter into a construction contract for the Somerset Apartments Remodel Project (7 units) with Dos Amigos Construction in the amount of \$133,179.

BACKGROUND

The Somerset Parkside apartments project was built in 1985 and includes a total of 26 two- and three-bedroom apartments. Somerset Parkside's entire inventory is currently part of CADA's affordable housing program and is a development subject to a regulatory agreement with the Department of Housing and Community Development (HCD). Staff has determined that the best approach to address the list of maintenance issues affecting seven currently-vacant units is to perform a complete remodel of all seven of the apartments. One of the apartments, 1007-1, was badly damaged by a major leak and resulting flood and had to be gutted. Given the significant nature of the remodels in these seven units, staff determined that the work was beyond the capacity of the CADA in-house rehab staff team to perform without impairing their ability to complete other important apartment renovations currently underway. Staff is recommending this contract as the most efficient option to completing the necessary remodel work and getting the units online for renting.

Staff solicited bids for the Somerset Apartments Remodel Project through CADA's formal bidding process. The bid package was released on Wednesday, April 10, 2024. The project scope of work calls for the contractor to remove and dispose of all existing flooring, interior doors and casings, cabinetry, and appliances. The contractor will install new cabinetry, countertops, flooring, new doors with casings, and prepare the walls for painting. CADA will purchase the cabinets, counter tops and other major items and supply them to the contractor since CADA already has an established relationship with suppliers of these items and can procure them quickly and cost-effectively, ensuring consistent use of finishes.

The mandatory Pre-Bid Job Walk was held on Thursday, April 25, 2024 at 10:00 a.m. and was attended by twelve contractors (See Attachment 1, Job Walk Sign-in Sheet). Six bid submissions were received on the due date and time of Friday, May 3, 2024 at 11:00 a.m. (See Attachment 2, Bid Tabulation Form).

Dos Amigos Construction submitted a bid of \$133,179, which was determined to be the lowest responsive, responsible bid following staff review of the bid submissions. Accordingly, staff recommends that the Board authorize the Executive Director, or her designee, to enter into a construction contract with Dos Amigos Construction in the amount of \$133,179 for completion of the remodel project.

If the Board approves this recommendation, staff will issue a notice of award to Dos Amigos Construction immediately and the work should commence by June 2024 and take approximately 90 days to complete.

This contract approval will allow CADA to move forward with the Somerset Apartments Remodel Project (7 units). The completed project will allow seven new low-income families to live in upgraded apartments. The construction materials and finishes will be consistent with the standard CADA has applied to all of its other major apartment rehabs over the past several months.

POLICY

This item comes before the Board because the contract award amount exceeds the \$50,000 contract approval authority of the Executive Director. Construction contracts in excess of \$50,000 must be formally bid, in accordance with CADA Contract Policy, and authorization for a contract award must be granted by the Board of Directors.

FINANCIAL IMPACTS

Work under this contract will be paid for using funds allocated in the Capital Investment Program (CIP) budget for this year and next, and self-insured losses (36-002-4293-R536-01) through CADA's insurance. The C24 - FY 23/24 Major Construction CIP budget, which was adopted by the Board in June 2023, contains a total of \$66,500 for these unit remodels. The budget for self-insured losses (36-002-4293-R536-01) will cover \$26,974. Staff anticipates this project going into next fiscal year. The remaining \$39,705 will be accounted for in the FY 2024-2025 budget.

ENVIRONMENTAL REVIEW

Not applicable. This project falls under the categorical exemption for existing facilities in class 1, section 15301. Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use.

STRATEGIC PLAN

The proposed action addresses the following 2024-2029 CADA Strategic Plan goal: "Deliver Community Development Leadership" by increasing housing availability by reducing vacancies and expanding projects.

CONTRACT AWARD CONSIDERATIONS

Construction contracts that will be executed to carry out work under the Capital Investment Program are bid and awarded in accordance with CADA's Contract Policy and Outreach Procedures. If construction contract change orders are needed, CADA's contract policy allows the Executive Director to approve them in the cumulative amount of \$25,000 or 20% of the base contract amount, whichever is greater.

Attachments:

1. Job Walk Sign-in Sheet
2. Bid Tabulation Form
3. Resolution 24-21



PLEASE COMPLETE THE INFORMATION REQUESTED BELOW.

The preferred method of contact is email, so be sure to include the email contact information and provide a business card.

CAPITOL AREA DEVELOPMENT AUTHORITY - JOB WALK SIGN IN SHEET

SOMERSET APARTMENT REMODELS PROJECT – 1007-1, 1027-2 & 3, 1029-2, & 1031-2 Q Street, Sacramento

Job Walk Date: Thursday, April 25, 2024 @ 10:00 a.m. @ 1007-1 Q Street, Sacramento

Bid Due Date: Thursday, May 2, 2024 @ 2:00 p.m. @ 1522 14th Street, Sacramento – tgandara@cadanet.org

	Name and Address of Company	License Type and Number	Phone	Email	Signature/Date
1.	Das Amigos Const Daniel Senna	B 1076281	916-471-8110	dasamigos916@gmail.com	Daniel Senna 4/25/24
2.	Alan Corr - Pride Industries 4926 43rd St. #40 McClellan Park Ca 95652	B	916 759 4203	alan.corr@prideindustries.com	Alan Corr 4/25/24
3.	RK Painting and Construction Inc. 11495 Sunrise Gold Cir. Rancho Cordova, CA	B	916 919-2268	RKalechov@valero.com	RKalechov 4/25/24
4.	DL16 7111 Hounover Ln		916460 2166	edward@dl16spe.org	Edward 4/25/24
5.					
6.					
7.					

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	Name and Address of Company	License Type and Number	Phone	Email	Signature/Date
5. 8.	Adrian Bogdan 5855 Power Inn Sacramento CA 95824	GC-B 954275	925-448-7046	Adrian.Bogdan @citadelspaces.com	 4/25/2024
6. 9.	Pro Builders 7030 Drywades way Oranjestad CA 95662	GC - B C-B I-36 884897	916 533 6760 916 225 0373	Sebastian @ Sacprobuilders.com Gio @ Sacprobuilders.com	 4/25/24
7. 10.	TPM Construction 555 N Lincoln St Dixon CA 95620	GC B	530 231-2603	J Torres @ TPM construction inc.com	 4/25/24
8. 11.	GSP Construction inc 3349 Verdecia way Rancho Cordova CA 95670	GC B	916-899-0684	george.gspconstruction @gmail.com	 4-25-24
12.					
13.					
14.					

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15. 9.	GILBERT/TRANS 819 STRIDER AVE SAC		916-568-1400	glunau@elite.gs	 4-25-24
16. 10.	AFFORDABLE PAINTING SERV. INC. 8215 PRESIDIANI BOULEVARD SAC	C-33 B 889203	916 919-2268	Rkalachov @ Yahoo.com	 4/25/24
17. 11.	Costel Gherciu 3312 ORANGE GROVE AVE NORTH HIGHLANDS	B, C-15	857-265-9255	rebuilditinc@gmail.com	wyhercin 4/25/24
18. 12.	PRO EX CONSTRUCTION 3223 LEYUNG PK RANCHO CORDOVA CA 95747	B C-33 959719	916-792-7093	Bids@proconstruction.com	4/25/24
19.					
20.					
21.					



CAPITOL AREA DEVELOPMENT AUTHORITY — Bids Received

Project: Somerset Apartment Remodels Project – Various Apartments, Q Street, Sacramento

Job Walk: Thursday, April 25, 2024 @ 10:00 a.m. @ 1007-1 Q Street, Sacramento

Bid Opening: Friday, May 3, 2024 @ 11:00 a.m. @ 1522 14th Street, Sacramento

	Name of Company	Bid	Non-Responsive
1.	Dos Amigos Construction	\$133,179	
2.	Elite	\$203,350	Addendum 2
3.	Rh Painting & Construction	\$163,000	DIR Addendum 2
4.	Pro-Ex Construction Inc.	\$178,800	DIR
5.	TPM Construction	\$220,000	
6.	Rebuildit Inc	\$196,300	DIR
7.			
8.			
9.			
10.			

Verified: 5/3/2024
Date

Jonah McClure
Signature

[Signature]
Signature

RESOLUTION NO. 24 – 21

Adopted by the Capitol Area Development Authority

May 17, 2024

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR, OR HER DESIGNEE, TO
ENTER INTO A CONSTRUCTION CONTRACT FOR THE
SOMERSET APARTMENTS REMODEL PROJECT**

WHEREAS, CADA conducted a formal bid process for the Somerset Apartment Remodels Project;
and

WHEREAS, Dos Amigos Construction was the lowest responsive, responsible bidder with a bid
of \$133,179 and has advised CADA of its interest in being awarded the contract and completing
the work.

NOW, THEREFORE, BE IT RESOLVED, by the Capitol Area Development Authority Board of
Directors that the Executive Director, or her designee, is hereby authorized, on behalf of the
Authority, to enter into a contract with Dos Amigos Construction in the amount of \$133,179 for
the Somerset Apartments Remodel Project.

Ann Bailey, Chair

ATTEST:

Tara Gandara
Secretary to the Board of Directors