



Meeting Date: 6 /06 / 06

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Larry White x8235 ^{AW} Agenda Item No. I-5
 Reviewed By: City Manager [Signature] City Attorney [Signature] Finance [Signature] Other (Specify) _____

DATE: May 25, 2006

TO: City Council

FROM: Sal Gonzalez, Housing Director [Signature]

SUBJECT: Rainbow House Recovery Center Renovation

RECOMMENDATION

That the City Council adopt Project Specification HD06-99 for the renovation of the Rainbow House Recovery Center (Rainbow House) located at 1450 South Rose Avenue.

DISCUSSION

Over the past 18 months staff has been negotiating with Centex Corporation (Centex) and Home Aide to define a scope of work to include labor and materials that Centex will be donating towards the renovation of the Rainbow House. The total donation will exceed \$250,000, with \$219,000 earmarked for labor costs based on prevailing wages. The City will pay the difference between Centex's rate for its contractors and the rate required by the prevailing low wage. The amount of the difference is about \$25,000.

This project is being advertised for public bid because the total value of the contract exceeds \$100,000. City procurement policies require a bidding process for any contract that exceeds \$100,000. The specifications disclose to potential bidders Centex's agreement to donate labor and materials. Staff anticipates no bidders, but the City Attorneys Office has requested that the process be followed in order to comply with the Public Contract Code.

FINANCIAL IMPACT

The cost to the City for this project is estimated to be \$25,081, which will be paid from previously appropriated funds from account number 371-5121-826.82-09.

SDG:LW:rs