

**HOUSING COMMISSION
PALM DESERT HOUSING AUTHORITY
STAFF REPORT**

MEETING DATE: February 12, 2025

PREPARED BY: Celina Cabrera, Senior Management Analyst

SUBJECT: AUTHORIZE INCREASE TO NOT TO EXCEED AMOUNT OF
ADDITIONAL SERVICES FOR JOHN HARRISON CONTRACTING, INC.

RECOMMENDATION:

Recommend to the Palm Desert Housing Authority Board to:

1. Authorize an increase of \$80,000 to the not to exceed amount of additional services for John Harrison Contracting, Inc. for Fiscal Year 2024/25 and Fiscal Year 2025/26 for an aggregate amount of \$108,500 each fiscal year.
2. Appropriate \$80,000 from the Housing Authority's Unobligated 871 Fund Balance to the Fiscal Year 2024/25 operating budget in the appropriate account for each of the 15 Housing Authority properties.
3. Authorize the Executive Director, or his designee, to take any necessary actions to facilitate and effectuate the actions taken herewith.

BACKGROUND/ANALYSIS:

John Harrison Contracting, Inc ("JHC"). was awarded a maintenance services agreement with the Palm Desert Housing Authority after a competitive bid process beginning on July 1, 2023, and is subject to renewal on June 30, 2026. The Authority Board approved the agreement for Heating, Ventilation, and Air Conditioning services on June 22, 2023, in an amount of \$218,500; \$190,000 for regular maintenance services and \$28,500 for additional services per fiscal year. Additional services include unit repairs, unit replacements, and emergency service response that may be required.

Due to an increase in unit replacements due to life expectancy as well as increased wear resulting from critical weather events, the authorized amount of \$28,500 has been exhausted and an increase is required for additional replacements and repairs as well as to have budget available for emergency situations.

FINANCIAL IMPACT:

The financial impact of this request will increase the not to exceed amount of the additional services for JHC for an additional \$80,000 for an aggregate amount of \$108,500. An appropriation is necessary from the Housing Authority's Unobligated 871 Fund Balance in an amount of \$80,000. There is no impact to the General Fund.