

THIS PRINT COVERS CALENDAR ITEM NO. : 10.6

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Capital Programs and Construction

BRIEF DESCRIPTION:

Authorize the Director of Transportation to execute Contract Amendment No. 3 to San Francisco Municipal Transportation Agency (SFMTA) Contract No. CS-162, with the Gordian Group, Inc., for Professional Support Services to support the Job Order Contracting Program, to retroactively extend the term of the contract by 574 days to April 30, 2019 at no additional cost to the SFMTA.



SUMMARY:

- On June 15, 2010, the SFMTA Board of Directors awarded Contract No. CS-162 (Contract) to the Gordian Group, Inc. (Consultant) to provide contractors under the SFMTA's Job Order Contracting (JOC) Program access to Consultant's proprietary unit-price catalog and technical specifications and perform other services (Services).
- The SFMTA and JOC contractors require the services to price projects under the SFMTA's JOC Program.
- The SFMTA previously extended the Contract's term two times in response to the high demand for work under the JOC Program. The total amount of the Contract price has not changed.
- Consultant is the market's only provider of the services, and the Department of Public Works and Consultant are in the process of negotiating a city-wide contract for use by all city departments that utilize the JOC project delivery method.
- The Contract's term expired during these contract negotiations.
- The SFMTA requires this extension to cover the gap in services.
- This Modification will retroactively extend the term of the contract by 574 days to April 30, 2019.

ENCLOSURES:

1. SFMTAB Resolution
2. Contract Amendment No. 3

APPROVALS:

	DATE
DIRECTOR 	4/25/2018
SECRETARY 	4/24/2018

ASSIGNED SFMTAB CALENDAR DATE: May 1, 2018

PAGE 2.

PURPOSE

Authorize the Director of Transportation to execute the Contract Amendment No. 3 to San Francisco Municipal Transportation Agency (SFMTA) Contract No. CS-162, with the Gordian Group, Inc., for Professional Support Services to support the Job Order Contracting Program to retroactively extend the term of the contract by 574 days to April 30, 2019 at no additional cost to the SFMTA.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

Contract No. CS-162 will assist in the implementation of the following goals, objectives and initiatives in the SFMTA Strategic Plan:

- Goal 1: Create a safer transportation experience for everyone.
 - Objective 1.1: Improve security for transportation system users
 - Objective 1.2: Improve workplace safety and security
 - Objective 1.3: Improve the safety of the transportation system

- Goal 3: Improve the environment and quality of life in San Francisco.
 - Objective 3.2: Increase the transportation system's positive impact to the economy
 - Objective 3.4: Deliver services efficiently

Contract No. CS-162 will assist in the implementation of the transit first policy principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.

DESCRIPTION

As authorized under Section 6.62 of the San Francisco Administrative Code, the SFMTA developed its JOC Program to performing maintenance, repair, and minor construction projects in an efficient and expeditious manner. SFMTA established its first JOC Program in 2006 with assistance obtained from Consultant. The SFMTA's JOC Program consists of "as-needed" indefinite quantity contracts for a predefined set of bid items the SFMTA assigns on a task-order basis to complete maintenance, repair, and minor construction projects.

Under the SFMTA's JOC Program, each contract is advertised competitively. Construction contractors bid on detailed specifications and unit prices based on the types of construction tasks the SFMTA expects to complete under the contract. Unit prices include direct costs for material, equipment, and labor, and are grouped by trade. These unit prices are cataloged in unit-price catalog that Consultant developed and owns. The unit-price catalog contains approximately 100,000 unit prices covering material, equipment, and labor costs for various types of construction work.

PAGE 3.

Contractors submit bids for work under individual JOC contracts, stating in their bids an adjustment factor on a percentage basis, either increasing or decreasing the unit prices for all construction tasks set forth in the bid documents. All of the contractor's profit, overhead and indirect costs are included into the adjustment factor. Task orders are issued to the selected contractors on an as-needed basis once a need for work has been identified.

To establish and maintain the JOC Program, the SFMTA requires assistance from a consultant to develop bid documents, prepare the unit-price catalog, to price and issue task orders to construction contractors, and to support the in implementation of the program.

On June 15, 2010, the SFMTA Board of Directors awarded Contract No. CS-162 to the he Gordian Group for an amount not to exceed \$975,000. The services provided under the Contract include the following:

- Provide unit-price catalog (i.e., Construction Task Catalogs®) containing at least 60,000 to 100,000 unit prices covering material, equipment, and labor costs for various units of construction, and adjusting these costs to current market conditions;
- Prepare and publish technical specifications describing the materials, performance and installation requirements for each of the construction tasks listed in the unit-price book incorporating standard SFMTA specifications as requested by SFMTA;
- Provide procurement support, execution procedures, and EGORDIAN software to manage the contracts for construction;
- Train SFMTA staff on implementation of the JOC Program;
- Conduct outreach to maximize contractor participation in bidding;
- Train potential contractors on application of the JOC Program;
- Train the awarded general contractors in implementation of the contracts;
- Conduct/attend orientation meetings, program review conferences, and program briefings, as needed; and
- Provide professional consultation through peer reviews, report and deliverables as requested by SFMTA staff.

Under the Contract, the Consultant started providing services without any initial compensation. Compensation to the Consultant was limited to a fee equal to 1.95% of the value of the construction work performed under the JOC Program during the term of the contract after the JOC Program was established and construction contracts were issued. The fee is reduced to 1.75% of the construction work during any year where the total value of construction work exceeds \$10,000,000.

No payments were made to the Consultant under the Contract until JOC contracts were executed and task orders for construction work were issued. Total compensation under this contract depends on the amount of construction task orders issued, but will not exceed \$975,000. Funding for payments under this Contract is provided through existing approved budgets for the projects requiring JOC services.

PAGE 4.

Due to the ongoing demand for minor construction and maintenance work in an efficient and expeditious manner using JOC, the Director of Transportation approved the first amendment to the Contract on July 3, 2015, to extend the term of the Contract from July 3, 2010 to October 2, 2016.

The SFMTA Board of Directors adopted Resolution No. 16-138 on October 4, 2016 approving the second amendment to the contract, extending the term of the contract from July 3, 2010 to October 2, 2017. Currently, Contract CS-162 has remaining funds of \$585,000. The Agency has issued two original and three supplemental Task Orders to its JOC construction contractor since October 2, 2017 for which the Consultant is due its fees. Those fees will be reimbursed upon execution of this Amendment.

The SFMTA has so far entered into nine JOC construction contracts with the assistance received from Consultant. The SFMTA has used its JOC contracts to accomplish a number of critically important projects effectively and expeditiously. Consultant has so far been paid the fees associated with work performed under those construction contracts.

Following is representative listing of completed projects:

- Installed communication cable tray at Van Ness platform station
- Repaired 12” cracked sewer between Paulou and Quesada
- Upgraded subway platform lighting at Powell and Montgomery
- Performed tenant improvement at Bancroft
- Replaced valve at the Woods Engine Room
- Installed perimeter fencing at Forest Hill and West Portal
- Modified fuel pump at Islais Creek
- Provided power to Bus shelter at Balboa Park station
- Installed roll-up doors at Van Ness, Church and Castro Metro Stations entrance
- Repaired concrete at the Twin Peaks Tunnel
- Provided utility connections to the Break Room at Woods
- Installed key stops at 28th & Judah
- Installed ATCS at Van Ness, Duboce, West Portal, Castro and Embarcadero
- Repaired water drain at West Portal
- Performed Van Ness pothole paving
- Inspected Twin Peak drainage for damages
- Repaired Muni Metro East Telescoping Door at Track 6 - Northside
- Performed roof repairs at 12 SFMTA facilities
- Installed OCS at intersection of Mission and Main Street for Super Bowl 50
- Replaced vacuum heaters and burners at Presidio Maintenance shop
- Assisted in Marin - Video Shop move to Bayshore
- Installed electrical and data at Bayshore for Video Shop

PAGE 5.

Since several other City departments have established their own JOC programs and require the services of a Consultant to administer their programs, the Department of Public Works took the lead in negotiating a city-wide contract with the consultant to provide specialized support services for all City departments that use JOC contracting.

The Consultant was the sole proposer in response to the request for proposals that the Department of Public Works issued for these services, once again confirming that the Consultant remains the sole source capable of providing these services, not only to SFMTA, but to other City departments.

The SFMTA took no action to extend the Contract earlier because it expected the Department of Public Works contract to be executed well in advance of the expiry date. Negotiations between the Department of Public Works and the Consultant took longer than expected and the Department of Public Works now expects to award this city-wide contract to the Consultant by late 2018.

The SFMTA requires this extension to cover the gap in services until the new city-wide contract is awarded. The third amendment to the Contract will provide the SFMTA with specialized consulting services required to continue to support the SFMTA's JOC Program until April 30, 2019. The SFMTA plans to advertise and award additional JOC construction contracts in FY2018/FY2019 for which the services from Consultant will be needed.

The Contract Compliance Office has not established a SBE participation goal for this contract as there are no subcontracting opportunities.

STAKEHOLDER ENGAGEMENT

Stakeholder internal and external engagement will be performed when task orders are issued against each construction contract. The level of engagement will depend and be commensurate with the scope of each task order.

ALTERNATIVES CONSIDERED

There is currently no alternative for the JOC Program. The JOC project delivery method remains the most efficient and expeditious manner to perform maintenance, repair, and minor construction projects.

FUNDING IMPACT

No additional funds required to extend term of Contract. Funding for service fees paid to contractors under each task order will be provided through existing approved budgets for projects requiring JOC services.

PAGE 6.

ENVIRONMENTAL REVIEW

On September 9, 2016, the SFMTA, under authority delegated by the Planning Department, determined that the Contract No. CS-162 is not defined as a “project” under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The Civil Service Commission approved this time extension on March 12, 2018.

The City Attorney’s office has reviewed this Calendar Item.

No other approvals are required for this Contract Modification.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors authorize the Director of Transportation to execute Contract Amendment No. 3 to San Francisco Municipal Transportation Agency (SFMTA) Contract No. CS-162, with the Gordian Group, Inc., for Professional Support Services to support the Job Order Contracting Program, to retroactively extend the term of the contract by 574 days to April 30, 2019 at no additional cost to the SFMTA.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The Job Order Contracting system (JOC) consists of an indefinite quantity contract with a predefined set of bid items that are assigned on a task order basis for the performance of public work maintenance; and,

WHEREAS, The Gordian Group has pioneered the development of the JOC system and remains the only available source for preparation of bid documents and implementation of the JOC system; and,

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) implemented a JOC Program in 2006, with the assistance of the Gordian Group, for the purpose of performing construction and maintenance work in an efficient and expeditious manner; and,

WHEREAS, On June 15, 2010, the SFMTA Board of Directors adopted Resolution No. 10-085, awarding Contract No. CS-162 to the Gordian Group, Inc., to provide specialized support services for the SFMTA's JOC Program for a total amount of \$975,000 and a term of five years; and,

WHEREAS, The Director of Transportation approved the first amendment to the contract on July 3, 2015, to extend the term of the contract from July 3, 2010 to October 2, 2016 at no additional cost to the SFMTA; and,

WHEREAS, The SFMTA Board of Directors adopted Resolution No. 16-138 on October 4, 2016 to authorize the second amendment to Contract No. CS-162, to extend the term of the contract from October 2, 2016 to October 2, 2017 at no additional cost to the SFMTA; and,

WHEREAS, Contract No. CS-162 with the Gordian Group reached the end of its term as of October 2, 2017; due to delays in negotiating a city-wide contract with the Gordian Group Inc., the success of its JOC Program, and the need for ongoing support for open Task Orders, as well as future JOC work, the SFMTA seeks a time extension of Contract No. CS-162 to April 30, 2019; and,

WHEREAS, The Civil Service Commission approved this time extension on March 12, 2018; and,

WHEREAS, On September 9, 2016, the SFMTA, under authority delegated by the Planning Department, determined that the Contract No. CS-162 is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and is incorporated herein by reference; and,

WHEREAS, Any Task Orders/projects designed under the proposed contract that would result in a direct or indirect physical change to the environment will undergo environmental review before approval; and,

WHEREAS, The Contract Compliance Office set no SBE participation goal for this contract because there are no subcontracting opportunities; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the Director of Transportation to execute the Contract Amendment No. 3 to SFMTA Contract No. CS-162, Professional Support Services for the Job Order Contracting Program, with The Gordian Group, Inc., to retroactively extend the term of the agreement by 574 days to April 30, 2019 at no additional cost to the SFMTA.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of May 1, 2018.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

**City and County of San Francisco
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, California 94103**

Third Amendment to Agreement

Contract No. CS-162

THIS AMENDMENT (this “Amendment”) is made on March 16, 2018 in San Francisco, California, by and between The Gordian Group Inc. (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Municipal Transportation Agency (“SFMTA”).

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below).
- B. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the performance period.
- C. City and Contractor desire that this Amendment be retroactive to October 3, 2017 and that the Agreement be interpreted and construed as if the provisions of this Amendment had been made a part thereof on such date.
- D. Approval for Amendment 2 was obtained when the Civil Service Commission approved Contract Number 4071-09/10 on September 19, 2016. Approval for this Amendment 3 was obtained when the Department of Human Resources approved Contract Number 4071-09/10 on March 12, 2018.
- E. NOW, THEREFORE, Contractor and the City agree as follows:

1. Definitions: The following definitions shall apply to this Amendment:

- 1a. Agreement.** The term “Agreement” shall mean the Agreement dated July 2, 2010, between Contractor and City, as amended by the:

First amendment dated July 3, 2015

Second amendment dated October 3, 2016

2. Modifications to the Agreement:

- 2a.** Section 2 (Term of the Agreement) is replaced in its entirety to read as follows:

The term of this Agreement shall be from July 2, 2010 to April 30, 2019.

- 3. **Effective Date:** Each of the modifications set forth in Section 2 shall be effective as of and after October 3, 2017.
- 4. **Legal Effect:** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

CONTRACTOR:
FRANCISCO

CITY AND COUNTY OF SAN

By its Municipal Transportation Agency

By: _____

By:

Edward D. Reiskin
Director of Transportation

Title: _____
(Corporate Seal When Required)

ATTEST:

APPROVED AS TO FORM:

Authorized by the
Municipal Transportation Agency
Board of Directors
Resolution No. _____

DENNIS J. HERRERA
City Attorney

By:

Isidro Alarcón Jiménez
Deputy City Attorney

Adopted: _____

Secretary, SFMTA Board of Directors