

THIS PRINT COVERS CALENDAR ITEM NO. : 10.4

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Capital Programs and Construction

BRIEF DESCRIPTION:

Authorize the Director of Transportation to execute San Francisco Municipal Transportation Agency (SFMTA) Contract No. 1302, Job Order Contract for Locally Funded Projects, with Yerba Buena Engineering and Construction, to perform minor construction and maintenance work for an amount of \$5,000,000, and for a term not to exceed five years.



SUMMARY:

- The SFMTA has developed a Job Order Contracting (JOC) program for the purpose of performing minor construction and maintenance work in an efficient and expeditious manner.
- On July 25, 2018, the Director of Transportation notified the SFMTA Board of Directors that he had authorized a bid call for JOC Contract Nos. 1301 and 1302, for locally funded projects with the same scope of work in order to establish two separate contract to performance routine and minor construction services.
- SFMTA advertised both contracts under the same Invitation for Bids on August 9, 2018, and received four bids on September 20, 2018. Yerba Buena Engineering and Construction, Inc. (Contractor), was determined to be the eligible and responsible bidder to have submitted the lowest responsive bid after application of LBE discounts. Although Mitchell Engineering, Inc.'s bid was lower after application of LBE discounts, it was not eligible for award of his contract since it will be recommended for award of Contract No. 1301.
- This contract will be funded from nonfederal sources for both operating and capital projects. Each individual project will need to identify the funding in their respective budget for this work.

ENCLOSURES:

1. SFMTAB Resolution

APPROVALS:

	DATE
DIRECTOR 	10/29/2018
SECRETARY 	10/29/2018

ASSIGNED SFMTAB CALENDAR DATE: November 6, 2018

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PURPOSE

Authorize the Director of Transportation to execute San Francisco Municipal Transportation Agency (SFMTA) Contract No. 1302, Job Order Contract for Locally Funded Projects, with Yerba Buena Engineering and Construction, to perform minor construction and maintenance work for an amount of \$5,000,000, and for a term not to exceed five years.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

The contract 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

The contract will assist in the implementation of the following 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

JOC Program

Public agencies like the SFMTA use the job order contracting (JOC) project delivery method to complete large numbers of small projects on an as-needed basis, under a single contract, and with pre-selected contractors. JOC contracts are for an indefinite-quantity of construction services that JOC contractors perform under individual task orders during a fixed term and for a maximum contract value. As authorized under Section 6.62 of the San Francisco Administrative Code, the SFMTA developed its JOC Program to perform maintenance, repair, and minor construction work in an efficient and expeditious manner.

Under its JOC Program, the SFMTA competitively advertises each contract. Construction contractors bid on detailed specifications and unit prices based on the construction tasks the SFMTA expects to complete under the contracts. Unit prices are fixed and include direct costs for material, equipment, and labor, and are grouped by trade.

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Contractors include in their bids percentage-based adjustment factors that either increase or decrease unit prices for all construction tasks set forth in the bid documents. The adjustment factors cover a contractor's profit, overhead, and indirect costs to perform task orders.

By utilizing the JOC project delivery method for small projects, the SFMTA eliminates the time and expense of completing the typical design-bid-construct cycle for each project. This allows the SFMTA to reduce project duration and cost.

The SFMTA has utilized its JOC Program to complete a number of critical projects including the following:

- installation of security lighting at Tulare Street
- installation of electric vehicle charging stations at three SFMTA facilities
- roof repairs at multiple SFMTA facilities
- installation of motorized storeroom window at Flynn Facility
- replacement of vacuum heater at Presidio Maintenance Shop

Scope of Work and Pricing

The scope of work for each task order is developed as-needed on a project-by-project basis. Upon identifying the need for a project, the SFMTA and the Contractor hold a joint scoping meeting to define the project's scope of work and calculate quantities of work. The price for each project equals the sum of the project's quantities of work multiplied by their corresponding pre-set unit prices and multiplied by their corresponding, competitively bid adjustment factors. The SFMTA issues a separate task order for each project after the scope of work and price are established.

Bidding and Award Process

SFMTA Board Resolution No. 09-191 delegates to the Director of Transportation authority to issue bid calls. On July 25, 2018, the Director of Transportation notified the SFMTA Board of Directors he had authorized a bid call for Contract Nos. 1301 and 1302.

On August 9, 2018, the SFMTA advertised the bid calls, in response to which on September 20, 2018 the SFMTA received and publicly opened the following four responsive bids for Contract No. 1302:

Bidder Name	Award Criteria Figure (ACF)	Award Criteria Figure (ACF) after application of LBE Discounts
1. Yerba Buena Engineering & Construction Inc. 1340 Agbert Avenue, San Francisco, CA 94124	1.3160	1.1844
2. Con-Quest Contractors Inc. 290 Toland Street, San Francisco, CA 94124	1.3950	1.2555
3. Rodan Builders, Inc. 859 Cowan Road, Burlingame, CA 94010	1.2766	1.2766

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4. Mitchell Engineering Inc. 1395 Evans Avenue, San Francisco, CA 94124	1.3000	1.1700
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San Francisco Administrative Code Section 6.62(a) requires the SFMTA to award Contract No. 1302, if at all, to the responsible bidder that submits the lowest responsive bid. For evaluation and selection purposes the SFMTA interprets the lowest responsive bid as the responsive bid with the lowest Award Criteria Figure (ACF). The ACF is the weighted average of the adjustment factors for different work hours and may be adjusted downward or “discounted” if the bidder utilizes Local Business Enterprises (LBEs) as part of their team.

Mitchell Engineering Inc. was the responsive bidder with the lowest ACF for both Contract Nos. 1301 and 1302, but is eligible only for the award of Contract No. 1301, in accordance with San Francisco Administrative Code Section 6.62(j). In cases, such as these, where the same bidder submits the lowest bid on more than one contract, the bidder may be awarded only the single contract that represents the lowest total overall cost to the City. In this case, Contract No. 1301.

Accordingly, Yerba Buena Engineering and Construction, Inc., the bidder with the second lowest responsive bid, is eligible for award of Contract No. 1302. See chart below.

Bidder Name	Contract No 1301 ACF after application of LBE and/or SBA/LBE Discounts	Contract No. 1302 ACF after application of LBE and/or SBA/LBE Discounts
Mitchell Engineering Inc.	1.1700	1.1700
Yerba Buena Engineering & Construction Inc.	1.2051	1.1844
Con-Quest Contractors Inc.	1.2555	1.2555
Rodan Builders, Inc.	1.2766	1.2766

Based on the award criteria, staff recommends Yerba Buena Engineering and Construction, Inc., for award of Contract No.1302.

The Contract Compliance Office reviewed the bid proposals and confirmed that Yerba Buena Engineering and Construction, Inc., has made a commitment to meeting the LBE participation goal of 25 percent established for this contract and meeting the Non-discrimination Equal Employment Requirements of the contract. Mitchell Engineering is in compliance with Chapter 12B, the equal benefits provision of the San Francisco Administrative Code.

Subcontractors

Bidders are required by the California Subletting and Subcontracting Fair Practices Act (Public Contract Code section 4104) to list all subcontractors that will perform more than one-half of one percent of the value of the Contract. Yerba Buena Engineering and Construction Inc. listed the following subcontractors:

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Subcontractor	Scope	Status	Value
Spencer Masonry	Masonry, Brick, Block, Stucco	LBE	\$50,000
Mckee and Company	Electrical	LBE	\$600,000
Empire Engineering and Construction Inc.	Concrete Finishing	LBE	\$200,000
Anco Iron Construction	Structural & Misc. Iron/Steel	LBE	\$200,000
Red Dipper	Fire Alarm/Electrical	LBE	\$250,000

Safety Record of Contractor

The bid documents issued for this contract did not establish minimum criteria related to bidders' past safety record because the projects that will be performed under the contract are very small in scale and as per Administrative Code Section 6.1 and 6.62 (i), no task order shall exceed the threshold amount of \$600,000.

An independent investigation of the California Occupational Safety and Health Administration's records for Yerba Buena Engineering & Construction Inc. indicated it has no citations related to any serious, willful, repeat, or serious and willful violations.

Transit Impacts

At this time, staff does not anticipate any impact to transit operations due to work assigned with task orders under this contract. If a future task order contains scope that may impact operations, staff will work with the SFMTA's Transit Division to mitigate those impacts and/or to schedule for them with least disturbance to the public.

STAKEHOLDER ENGAGEMENT

The SFMTA will continue to perform internal and external stakeholder engagement as it issues additional task orders under the contract. The level of stakeholder engagement will depend on and be commensurate with the scope of work for each task order.

ALTERNATIVES CONSIDERED

The alternative to a JOC contract would be to bid each individual project separately. For smaller projects, the administrative costs of preparing bid documents and conducting a procurement process would be prohibitively expensive. The JOC method of contracting has been proven to be an effective and efficient method of completing smaller construction projects.

FUNDING IMPACT

The total cost of the Contract is \$5,000,000. Nonfederal local and operating funds required for operations and maintenance are budgeted in the SFMTA current and subsequent year budget. Each individual project will identify the funding in the respective project budget for this work.

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ENVIRONMENTAL REVIEW

On October 11, 2018, the SFMTA, under authority delegated by the Planning Department, determined that Job Order Contract No. 1302 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 City Attorney’s office has reviewed this Calendar Item.

No other approvals are required for this Contract.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the Director of Transportation to execute San Francisco Municipal Transportation Agency (SFMTA) Contract No. 1302, Job Order Contract for Locally Funded Projects, with Yerba Buena Engineering and Construction, to perform minor construction and maintenance work for an amount of \$5,000,000, and for a term not to exceed five years.

MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, San Francisco Municipal Transportation Agency Contract No. 1302, Job Order Contract, is an indefinite quantity contract with a predefined set of bid items that are assigned on an as-needed, task order basis for the performance of public work maintenance, repair, and minor construction projects; and,

WHEREAS, On July 25, 2018, the Director of Transportation notified the San Francisco Municipal Transportation Agency Board of Directors that he had authorized a bid call for Contract No. 1302 in accordance with Board Resolution No. 09-191, which delegates, among other things, the authority to issue bid calls to the Director of Transportation; and,

WHEREAS, On August 9, 2018, the San Francisco Municipal Transportation Agency advertised the bid call for Contract No.1302; and,

WHEREAS, On September 20, 2018, the San Francisco Municipal Transportation Agency received and publicly opened four bid proposals in response to its invitation for bids; and,

WHEREAS, The San Francisco Municipal Transportation Agency determined that Yerba Buena Engineering and Construction, Inc., was the eligible and responsible bidder which submitted the lowest responsive bid, with an Award Criteria Figure of 1.1844 after application of LBE discounts; and,

WHEREAS, The work under this job order contract will be performed under future task orders, which will identify the scope of work, cost, and duration of various discrete projects; and,

WHEREAS, On October 11, the San Francisco Municipal Transportation Agency , under authority delegated by the Planning Department, determined that Job Order Contract No. 1302 is not defined as a “project” under the California Environmental Quality Act pursuant Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, A copy of the California Environmental Quality Act determination is on file with the Secretary to the San Francisco Municipal Transportation Agency 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 San Francisco Municipal Transportation Agency Contract Compliance Office reviewed the bid proposals and confirmed that Yerba Buena Engineering and Construction, Inc., will meet the Local Business Enterprise participation goal of 25 percent established for this contract and will commit to meeting the Non-discrimination Equal Employment requirements of the contract; and,

WHEREAS, This contract will be funded from nonfederal sources for both operating and capital projects; each individual project will need to identify the funding in their respective budget for this work; now, therefore, and,

WHEREAS, The Contract will assist the San Francisco Municipal Transportation Agency in meeting the following objectives of Strategic Plan: Goal No. 1 to create a safer transportation experience for everyone; and Goal No. 3 to improve the environment and quality of life in San Francisco; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to execute San Francisco Municipal Transportation Agency (SFMTA) Contract No. 1302, Job Order Contract for Locally Funded Projects, with Yerba Buena Engineering and Construction, to perform minor construction and maintenance work for an amount of \$5,000,000, and for a term not to exceed five years.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of November 6, 2018.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

