

THIS PRINT COVERS CALENDAR ITEM NO. : 10.6

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Capital Programs and Construction

BRIEF DESCRIPTION:

Authorizing the Director of Transportation to execute Contract Amendment No. 2 to San Francisco Municipal Transportation Agency (SFMTA) Contract No. 1285, Job Order Contract for Locally Funded Projects, with Mitchell Engineering, Inc., to increase the contract amount by \$750,000 for a revised total of \$4,500,000; and to extend the Contract Term by 109 days, for a total term of 1484 days through April 30, 2019.

SUMMARY:



- On April 7, 2015, the SFMTA Board of Directors authorized the award of SFMTA Contract No. 1285 (Contract) to Mitchell Engineering, Inc. (Contractor) to provide construction services under the SFMTA’s Job Order Contracting (JOC) Program.
- The Contract is for an indefinite quantity of construction services, including maintenance, repair, and minor construction work, which the SFMTA assigns to Contractor under individual task orders on an as-needed basis.
- The Contract’s initial maximum contract amount was \$3,000,000, and its initial term was for three years, ending in April 7, 2018 with options to extend for two additional years.
- The SFMTA amended the Contract once before to increase the maximum contract amount to \$3,750,000, and extend to the term to January 11, 2019.
- In response to high demand for work under the JOC Program, the SFMTA seeks to amend the Contract again with Amendment No. 2.
- Amendment No. 2 would increase the maximum contract amount to \$4,500,000, and extend the term to April 30, 2019.
- Amendment No. 2 is required for Contractor to complete work under two existing task orders, and for the SFMTA to issue six new task orders, which the SFMTA is currently reviewing and which are necessary to accomplish critically important projects related to infrastructure and facility enhancement and maintenance.

ENCLOSURES:

1. SFMTAB Resolution
2. Contract Modification No. 2

APPROVALS:

DATE

DIRECTOR	 _____	5/29/2018 _____
SECRETARY	 _____	5/29/2018 _____

ASSIGNED SFMTAB CALENDAR DATE: June 5, 2018

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PURPOSE

The purpose of this calendar item is to authorize the Director of Transportation to execute Contract Amendment No. 2 to San Francisco Municipal Transportation Agency (SFMTA) Contract No. 1285, Job Order Contract for Locally Funded Projects, with Mitchell Engineering, Inc., to increase the contract amount by \$750,000 for a revised total of \$4,500,000; and to extend the Contract Term by 109 days, for a total term of 1484 days through April 30, 2019.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

Amendment No. 2 to 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

Amendment No. 2 to 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

As authorized under Section 6.62 of the San Francisco Administrative Code, the SFMTA developed the JOC Program to perform maintenance, repair, and minor construction work in an efficient and expeditious manner. The JOC project delivery method enables the SFMTA 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 that the SFMTA issues during a fixed term and for maximum dollar value. The SFMTA issues task orders on an as-needed basis and JOC contractors have no guarantee that the total number of task orders issued under a contract will cover the maximum contract value.

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By utilizing JOC contract 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 JOC contractor completes projects on an as-needed basis. When the SFMTA identifies the need for a project, SFMTA staff and the contractor hold a joint meeting to define the project's scope and calculate the quantities of work required to complete the project. The price for each project is calculated using a fixed formula – price equals the quantities of work multiplied by pre-determined unit prices, multiplied by a fixed adjustment factor. The adjustment factor is included with the contractor's initial, competitive bid. After the SFMTA and contractor finalize scope and price, the SFMTA issues a task order for the project.

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

- Subway platform lighting upgrade at MUNI subway stations.
- West Portal/St Francisco circle transit Light Rail Vehicle tagging system loop installation
- Roof repairs at 10 SFMTA facilities
- Islais Creek – utility connections to trailers
- Repair 12” crack sewer between Palou & Quesada along Third Street
- Installation of video security cameras at all SFMTA bus facilities
- CO2 fire suppression system in the engine room at Woods Division
- Transportation Management Center Upgrade Project – Lenox Operations Central Control
- Closed circuit television and intrusion alarms for drawbridges
- 1508 Bancroft tenant improvements
- MUNI Metro Turn back water mitigation
- MTA employee break and lunch office at Woods Facility
- Operator restroom repair at 48th & Geary
- Islais Creek wireless installation
- Power to bus shelter at Balboa

The Contract

On April 7, 2015, the SFMTA Board of Directors adopted Resolution No. 15-054, which authorized the award of the Contract to Contractor, with a maximum contract amount of \$3,000,000, and term of three years, with an option to extend the term up to an additional two years.

So far, Contractor has performed the following 12 projects under the Contract:

1. Potrero facility telescoping door repair at yard
2. Camden Beach facility telescoping door at track 18/19 replacement
3. Presidio facility maintenance shop vacuum heater replacement
4. MUNI Metro East sanding room desiccant dryer replacement

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5. Metro Green track 7 & 9 Roll-up door repair
6. Roof repairs at 1399 Marin, Presidio and 700 Penn facility
7. Super Bowl 50 City, reroute overhead contact system at Mission and Main street
8. Flynn facility storeroom window replacement
9. Metro Green facility storeroom window replacement
10. North telescoping door at track 6 repair at MUNI Metro East facility
11. Installed security lighting at Tulare street(1399 Marin facility)
12. Intersection improvement at 19th & Junipero Serra Blvd trackway

The Director of Transportation approved Amendment No. 1 to the Contract to increase the maximum contract amount by \$750,000 to \$3,750,000, and extend the term by 279 days to January 11, 2019. Amendment No. 1 was necessary to complete then-existing task orders and issue new task orders in response to the high demand within the Capital Programs and Construction Division for work under the JOC Program.

Amendment No. 2 is necessary because the SFMTA wishes to complete under the Contract additional work, which will exceed the current \$3,750,000 maximum contract amount. This additional work includes completion of punch list items on two existing task orders (i.e., installation of security lighting at Tulare Street, and modification of the curb ramp at the intersection of 19th Street and Junipero Serra Boulevard) and seven new task orders:

1. Retrofitting of light emitting diode (LED) lights at the Twin Peaks Tunnel
2. Replacement of emergency lighting battery and charger at the Powell and Montgomery subway stations
3. Replacement of compressor for air-breathing machine at paint booth and machine shop at Camden Beach and Green Division light rail vehicle operations facilities
4. Replacement of subway battery backup system at the Muni Metro turnaround
5. Replacement of the uninterruptable power supply (UPS) at all Muni Metro subway stations
6. Installation of new electric vehicle charging stations at the machine shop at 700 Pennsylvania Street, the non-revenue vehicle repair facility at Scott Street, and the Muni Metro East facility
7. Modification of the existing fuel piping system at the Islais Creek operations facility

In order to expedite and complete this work under the Contract, staff needs Amendment No. 2 to increase the maximum contract amount by an additional \$750,000 to \$4,500,000, and extend the term by 109 days to April 30, 2019. Failure to timely perform this work may further deteriorate the facilities mentioned above, which in turn would affect transit operations.

Staff anticipate that Amendment No. 2 will be the last amendment to the Contract. Staff are currently preparing procurement documents for a new JOC contract, which will likely be awarded in early 2019.

The SFMTA's Contract Compliance Office established a Local Business Enterprises (LBE) participation goal of 20% for the Contract and is being met, including amendments.

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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 SFMTA considered two alternatives to amending the Contract.

The first alternative is to award a new contract to implement the additional work described above. This alternative would likely delay the work by six months, because it requires time to create the procurement documents and complete the bid and award process. During this time, the facilities mentioned above would experience further deterioration, which in turn would affect transit operations.

The second alternative is to self-perform the additional work with in-house forces. This alternative is not feasible because of limited staff resources.

Given the short amount of time needed to perform the additional work described above, staff believes exercising the option of increasing the current Contract amount up to an additional \$750,000 is the best approach. However, the Agency is currently preparing specifications to publicly bid and award two new similar contracts eliminating the need for any future extensions of this Contract.

FUNDING IMPACT

The total cost of the Contract is \$4,500,000. Nonfederal local and operating funds required for the operations/maintenance are budgeted in the SFMTA current and subsequent year budget. Amendment No. 2 will increase the contract amount by \$750,000 for a revised total of \$4,500,000. Each individual project will identify the funding in its respective budget for this work.

ENVIRONMENTAL REVIEW

On May 3, 2018, the SFMTA, under authority delegated by the Planning Department, determined that the proposed contract amendment 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.

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OTHER APPROVALS RECEIVED OR STILL REQUIRED

The City and County of San Francisco Administrative Code Sections 6.62 (f) and (g) require that: “[i]n no case shall the cumulative modifications to a JOC Contract result in a contract sum exceeding 150% of the original Contract amount’ and “JOC Contracts shall provide for an expiration term of not more than five years, including all modifications.” Amendment No. 2 is in compliance with both those requirements.

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

No other approvals are required for this Contract Modification.

RECOMMENDATION

Staff recommends that the Board of Directors approve Contract Amendment No. 2 to SFMTA Contract No. 1285, Job Order Contract for Locally Funded Projects, with Mitchell Engineering, Inc., to increase the contract amount by \$750,000, for a total amount not to exceed \$4,500,000; and to extend the Contract Term by 109 days, for a total term of 1484 days through April 30, 2019.

MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, On April 7, 2015, the San Francisco Municipal Transportation Agency Board of Directors adopted Resolution No. 15-054, which authorized the award of Contract No. 1285 to Mitchell Engineering; and,

WHEREAS, The Contract is for an indefinite quantity of predefined bid items that the SFMTA assigns to Contractor on an as-needed, task order basis to complete public work maintenance, repair, and minor construction projects under the San Francisco Municipal Transportation Agency Job Order Contracting Program; and,

WHEREAS, The initial amount of the Contract No. 1285 was not to exceed \$3,000,000, and for a term not to exceed three years, with an option to extend the term of the Contract for up to an additional two years to complete work under issued task orders; and,

WHEREAS, On October 12, 2017 and in response to high demand for work under the Job Order Contracting Program, the Director of Transportation approved the first amendment to the Contract No. 1285, to increase the contract amount by \$750,000 to \$3,750,00, and to extend the contract term by 279 days to January 11, 2019; and,

WHEREAS, The San Francisco Municipal Transportation Agency has identified additional infrastructure and facility enhancement and maintenance projects that will exceed the current \$3,750,000 contract amount; and,

WHEREAS, The San Francisco Municipal Transportation Agency has projects local funding that needs to be used up soon to allow the Agency to implement projects identified within the scope of the Contract No. 1285; and,

WHEREAS, Time is of essence to implement the infrastructure and facility enhancement and maintenance projects and to expend the local funding; and,

WHEREAS, On May 3, 2018, the San Francisco Municipal Transportation Agency, under authority delegated by the Planning Department, determined that the proposed contract extension 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); and,

WHEREAS, A copy of the CEQA 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 Contract Compliance Office set 20% LBE participation goal for this contract, including amendments; now, therefore, be it

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 Contract Amendment No. 2 to San Francisco Municipal Transportation Agency Contract No. 1285, Job Order Contract for Locally Funded Projects, with Mitchell Engineering, Inc., to increase the contract amount by \$750,000 for a revised total of \$4,500,000; and to extend the contract term by 109 days, for a total term of 1484 days through April 30, 2019.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of June 5, 2018.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

Enclosure 2

CONTRACT MODIFICATION NO. 2

**City and County of San Francisco, Municipal Transportation Agency
Contract No. 1285, Job Order Contract for Locally Funded Projects**

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Contractor: Mitchell Engineering
1395 Evans Street
San Francisco, CA 94124

RECITALS

- A. Contractor and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Municipal Transportation Agency, have entered into the Agreement (as defined below).
- B. Contractor and City desire to modify the Agreement on the terms and conditions set forth herein, to extend the Term of Contract, increase the Maximum Contract Value, and update certain standard provisions.

NOW, THEREFORE, Contractor and the City agree as follows:

- 1. The following definitions shall apply to this Contract Modification:

- 1a. Agreement. The term “Agreement” shall mean the Agreement dated April 13, 2015, between Contractor and City.
- 1b. General Provisions. The term “General Provisions” shall mean the General Provisions to the Contract Documents that memorialize the Agreement.
- 1c. Other Terms. Capitalized terms used and not defined in this Contract Modification shall have the meanings assigned to such terms in the General Provisions.

- 2. The Contract is hereby modified as follows:

- 2a. Section 1A (Minimum and Maximum Contract Values) of the General Provisions is replaced in its entirety to read as follows:
Unless the City elects to terminate this Agreement for any reason, the SFMTA intends that the Contractor receives Task Orders totaling at least the Minimum Contract Value (\$50,000) issued during the base period of the Contract. The City has no obligation to issue Task Orders in excess of the Minimum Contract Value.

The Contractor may be issued Task Orders totaling up to Maximum Contract Value (\$4,500,000) during the term of the Contract. The Contractor is not guaranteed to receive the Maximum Contract Value.

Total Amount of this Contract Modification 2:	\$750,000
Previous Total of Original Contract:	\$3,000,000
Previous Total of Contract Modification 1:	\$750,000

New Revised Total of Contract: \$4,500,000

- 2b. Section 1.13 (Term of Contract) in the General Provisions is replaced in its entirety to read as follows:
The term of the Contract shall be from April 13, 2015 to April 30, 2019. No new Task orders will be issued under any circumstances after four years from the date of Award.
3. This Contract Modification is made in accordance with Section 1.08 (Amendment of Contract Documents) of the General Provisions.
4. Except as provided herein all previous terms and conditions of the Agreement remain unchanged.
5. Contractor acknowledges and agrees that this Contract Modification shall be in full accord and satisfaction of all current and prospective costs incurred in connection with Contractor's performance of the Work under this Contract Modification, without limitation. Contractor releases the City from all claims for which full accord and satisfaction is hereby made, as set forth above.

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

CONTRACTOR:

CITY AND COUNTY OF SAN FRANCISCO
By its Municipal Transportation Agency

By: _____

By: _____

Title: _____
(Corporate Seal When Required)

Edward D. Reiskin
Director of Transportation

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

APPROVED AS TO FORM:
DENNIS J. HERRERA
City Attorney

Adopted: _____

By: _____
Isidro Alarcón Jiménez
Deputy City Attorney

Secretary, SFMTA Board of Directors