



# City of San Antonio

## Agenda Memorandum

**File Number:**19-2190

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**Agenda Item Number:** 9.

**Agenda Date:** 2/21/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Transportation & Capital Improvements

**DEPARTMENT HEAD:** Razi Hosseini, P.E., R.P.L.S.

**COUNCIL DISTRICTS IMPACTED:** All Council Districts

**SUBJECT:**

Contract Award: FY 2019-2022 Awarding Job Order Contract (JOC)

**SUMMARY:**

An ordinance authorizing the execution of ten (10) one-year Job Order Contracts (JOCs) in an amount not to exceed \$3,000,000.00 annually per contract with the option to renew for two, one-year extensions for a total amount not to exceed \$9,000,000.00 with Alpha Building Corp., Amstar, Inc., Belt Built Contracting, Con-Cor Inc., Davila Construction, Inc., Jamail & Smith Construction, LP., Kencon, Ltd., LMC Corp.; The Sabinal Group; and Tejas Premier Building Contractor, Inc. for the provision of Job Order Contracting (JOC) as an alternative project delivery method for incidental demolition, construction, repair, rehabilitation, alteration, and deferred maintenance on City owned, leased buildings, or other facilities of interest to the city.

**BACKGROUND INFORMATION:**

Background

Job Order Contracting (JOC) is an alternative project delivery method for construction, renovation, rehabilitation and maintenance projects and provides project services based upon an agreed upon standard price utilizing the RSMeans, the most recognized source of construction cost data in the United States. JOC is recognized as an ideal project delivery method to complete multiple small-to-medium size repair and renovation projects quickly and efficiently. Work is generally performed by local contractors and the quality of the work is usually equal to or better than other methods. The criteria used by selected contractors to price individual projects are typically firm, objective, and consistent. JOC contractors need to possess strong, successful experience on projects similar to JOC-type projects. This includes ensuring quality construction, proper project management and oversight, responding timely to City's needs and requests for proposals, and

proactively engaging with the City and responding to unique challenges on JOC-type projects with quick and efficient project delivery.

#### Procurement of Services

The 2019 JOC is a high profile solicitation and a pre-solicitation item on this contract was included in the August 23, 2018 Audit & Accountability Council Committee agenda. A Request for Competitive Sealed Proposal (RFCSP) was advertised on September 24, 2018 in the San Antonio Hart Beat, on the City's website, the CIVCAST electronic bidding website, the Texas Electronic State Business Daily and on TVSA. Responses were due on October 31, 2018. Sixteen (16) proposals were received. A diverse evaluation committee consisting of representatives from the City Manager's Office, Transportation and Capital Improvements, Building and Equipment Services and Parks and Recreation evaluated and scored the proposals. A post-solicitation item was included in the January 29, 2019 Audit and Accountability Council Committee agenda and no issues or concerns were identified. Proposals were evaluated and scored taking into consideration each respondent's experience and qualifications on JOC-type projects and responses to the following published evaluation criteria.

30 Points	Experience of respondents, to include subcontractors and/or key personnel with similar JOC Projects. This includes an evaluation of the respondent's narrative of relevant past experience, qualifications, communication and coordination between the prime and subs. Up to three project sheets demonstrating similar JOC work are requested, along with an organizational chart of key personnel committed to work on the projects and resumes of key organization members.
20 Points	Respondent's understanding of the primary objectives of the JOC Program and proposed management plan. This includes an evaluation of the respondent's narrative describing challenges it foresees and the approach to managing a JOC contract. Quality control/quality assurance approach, managing quality work from subcontractors, coordinating with project stakeholders and plans to ensure timely completion of construction to include schedule recovery, if necessary. Respondent's provided a scope of work, proposal and unit pricing for a sample project.
20 Points	Experience with San Antonio region issues and past experience with City of San Antonio contracts. This includes an evaluation of the respondent's narrative of experience with local area construction costs and practices, local community conditions and constraints, public awareness of the local area, experience with the local utilities, and local building code requirements.
10 Points	Respondent's Coefficient Price Proposal. Cost to cover overhead, profit, and any other costs not included in the unit pricing.
20 Points	SBEDA Program (SBE 5 Points, M/WBE 10 Points, ESBE 5 Points)
<b>100 Points</b>	<b>Total</b>

This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts to be reviewed by a Goal Setting Committee to establish a requirement and/or incentive unique to the particular contract in an effort to maximize the amount of small, minority, and women-owned business participation on the contract. The Goal Setting Committee applied the Small Business Enterprise Prime Contract Program with 5 Evaluation preference points, Minority/Women-Owned Business Enterprise Prime Contract Program with 10 Evaluation preference points and Emerging Small Business Enterprise Prime Contract Program with 5 Evaluation preference points. Additionally, Goal Setting

Committee also set 24% Minority/Women Business Enterprise (M/WBE) and 4% African American Business Enterprise (AABE) subcontracting goals in which all have committed to subcontractor participation.

Of the ten (10) recommended contractors, the following are certified:

- Eight (8) out of ten are certified local Small-Businesses (SBE)
- Seven (7) out of ten are certified Minority-Owned Businesses (MBE)
- Two (2) out of ten are certified Women-Owned Businesses (WBE)
- One (1) out of ten is a certified African American Owned Business (AABE)
- One (1) out of ten is a certified Native American Owned Business (NABE)

## **ISSUE:**

This ordinance authorizes the execution to ten (10) one-year Job Order Contracts (JOCs) in an amount not to exceed \$3,000,000.00 annually per contract with the option to renew for two, one-year extensions for a total amount not to exceed \$9,000,000.00 with Alpha Building Corp., Amstar, Inc., Belt Built Contracting, Con-Cor Inc., Davila Construction, Inc., Jamail & Smith Construction, LP., Kencon, Ltd., LMC Corp.; The Sabinal Group; and Tejas Premier Building Contractor, Inc. for the provision of Job Order Contracting (JOC) as an alternative project delivery method for construction, renovation, rehabilitation and maintenance projects in city facilities. City Council approval is required for projects utilizing Job Order Contracting over \$100,000.00.

There are currently ten (10) active JOC contractors. Staff's current recommendation is to award to ten (10) contractors. Having ten is based on the anticipated volume of construction, renovation, rehabilitation and maintenance projects. The City Council could approve more than ten JOC contracts. However, by adding additional contractors, each contractor will receive a smaller portion of the available work, which can impose a financial burden on the selected contractors since each contractor's pricing is based upon anticipating a certain volume of projects. Additionally, there would be an increase in the complexity of managing a higher number of contracts to ensure an equal distribution of work, that project challenges are resolved and public concerns are addressed in a timely manner, and proper oversight to ensure quality of work.

Therefore, staff recommends approving ten (10) contractors for use of the JOC delivery method.

## **ALTERNATIVES:**

As an alternative, City Council could choose not to approve this action. However, considering the additional time required for another solicitation process, this would adversely affect the timely completion of projects. Due to these limits, not approving this contract would limit if not halt projects that include; incidental demolition, construction, repair, rehabilitation, alteration, and deferred maintenance on City owned, leased buildings, or other facilities of interest to the city.

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**FISCAL IMPACT:**

Funding for these contracts may include but not limited to, the General Fund, Certificates of Obligation, Tax Notes, or other funding sources. If funding for any work activities is not previously appropriated, funding will be identified and appropriated through subsequent City Council action.

**RECOMMENDATION:**

Staff recommends approval through ordinance the contract agreements with Alpha Building Corp., Amstar, Inc., Belt Built Contracting, Con-Cor, Inc., Davila Construction, Inc., Jamail & Smith Construction, LP., Kencon, Ltd., LMC Corp., The Sabinal Group, and Tejas Premier Building Contractor, Inc., as Job Order Contractors and authorizing the Director of Transportation and Capital Improvements to administratively approve this alternative project delivery method as necessary for construction projects less than \$100,000.00.