



AGENDA ITEM

Public Utilities Commission

City and County of San Francisco



DEPARTMENT Construction Management Bureau AGENDA NO. _____
MEETING DATE October 14, 2008

Consent Calendar Agenda Item
Project Manager: Wendy Iwata

Contract No. WD-2586R, Job Order Contract, General Engineering (A-License), San Francisco/Peninsula/East Bay to Hetch Hetchy

Recommendation: Approve the plans and specifications and award Enterprise-funded Contract No. WD-2586R Job Order Contract, General Engineering (A-License), San Francisco/ Peninsula/East Bay to Hetch Hetchy, to the lowest qualified, responsive and responsible bidder, M. Hernandez Construction.

Description: Contract work locations are San Francisco, San Mateo, Alameda, San Joaquin, Stanislaus and Tuolumne Counties. The contract work consists of general construction services, including pipeline, excavation, electrical, heating, ventilation, plumbing, roofing, concrete, and painting work.

Contract Cost: Award: \$3,000,000
An option to add 50% of contract value (another \$1,500,000) may be approved by the Commission at a later date.

Funding: Various SFPUC Enterprise Funds.

Schedule: Task Order NTP: starting October 2008
End: October 2010
Duration: Twenty-four (24) consecutive months; an additional one-year option period may be approved by the Commission at a later date.

Liquidated damages: To be determined in Task Orders

DBE goals: Set: 17% LBE
Submitted: 19.66% LBE

Bid History: Advertised: September 11, 2008
Bids Received: Five (5) bids received on September 29, 2008
Protest: None

Contractor Background: Previous Contract(s) Awarded: Two (2) contracts awarded since December 2004. One (1) contract is closed and one (1) is still active.
San Francisco LBE Certified: Yes
Liquidated Damages Assessed: None

Context:

Bids for WD-2586 were originally rejected (PUC Resolution #08-0166) and the lowest, responsive responsible bidder's Award Criteria Figure (ACF) was 1.69 (after application of HRC bid discount). SFPUC staff and the JOC consultants believe no ACF exceeding 1.50 should be accepted, especially when past ACF's for PUC JOC's have ranged from 1.03 to 1.48. The contract was rebid and extensive outreach to prime contractors and subcontractors was performed, including conducting two prebid meetings (instead of the usual one). The second prebid meeting was held at the Peninsula Builders Exchange, San Carlos, in hopes of attracting new contractors, especially subcontractors, to bid for job order contracts. The rebid resulted in more bidders (5 instead of 4) and a more competitive ACF rate of 1.4995 was received by M. Hernandez Construction (after application of HRC bid discount). This will be M. Hernandez's first Job Order Contract award.

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 08-0180

WHEREAS, Contract WD-2586R Job Order Contract, General Engineering (A-License), San Francisco/ Peninsula/East Bay to Hetch Hetchy, was advertised on September 11, 2008; and

WHEREAS, The amount for this construction Job Order contract is \$3,000,000; and

WHEREAS, The contract duration is two consecutive calendar years; and

WHEREAS, The Commission authorizes award of this job order contract for work to be performed under future task orders which will identify the scope of work, cost and duration of various discrete construction activities. No task order will be issued for construction requiring environmental review, excluding those eligible for statutory or categorical exemptions, until the Commission has been given the opportunity to review the environmental document and take action if deemed appropriate. The work under this job order contract has been competitively bid per unit price and this contractor is the lowest responsible, responsive bidder for the work under these subsequent task orders; and

WHEREAS, Five bids were received and opened publicly on September 29, 2008; and

WHEREAS, Funds will be available from various SFPUC Enterprise funds when Task Orders are issued. Participating departments include Water Quality, Energy and Power, Water Supply and Treatment, City Distribution Division, Wastewater and various regional CIP projects;

WHEREAS, SFPUC staff and HRC review of the bids for qualifications, responsibility, responsiveness and application of bid preferences resulted in the establishment of M. Hernandez Construction as the lowest, qualified, responsible and responsive bidder; and

WHEREAS, An HRC subcontracting goal of 17% LBE participation has been established and approved for this contract by the HRC Contract Compliance Officer assigned to the SFPUC. M. Hernandez Construction is committed to meet the LBE goal submitted in its bid which exceeds the HRC goal established; and

WHEREAS, The firm being awarded a contract by the SFPUC must be in compliance with the Equal Benefits Provisions of Chapter 12B of the City's Administrative Code either at the time of the award, or within 2 weeks of the date of the Commission award; failure of the bidder to obtain compliance certification from HRC may result in award of the contract to the next lowest, responsible and responsive bidder, or re-bidding of the contract at the discretion of the City; and now, therefore, be it

RESOLVED, That this Commission hereby approves the plans and specifications and awards Enterprise-funded Contract No. WD-2586R Job Order Contract, General Engineering (A-License), San Francisco/ Peninsula/East Bay to Hetch Hetchy, to the lowest qualified, responsive and responsible bidder, M. Hernandez Construction.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of October 14, 2008

Secretary, Public Utilities Commission



Gavin Newsom
Mayor

Contract Compliance
Dispute Resolution/Fair Housing
Small and Micro Business Enterprise
Lesbian Gay Bisexual Transgender & HIV Discrimination

Chris Iglesias
Executive Director

MEMORANDUM

Date: October 6, 2008
To: Wendy Iwata, Project Manager, SFPUC
Pauline Lam, Principal Contracts Analyst, SFPUC
From: Alaric Degrafinried, Contract Compliance Officer, HRC
Subject: WD-2586R
JOC General Construction (A-License) SF/East Bay/Peninsula/Hetch Hetchy

The Human Rights Commission (“HRC”) has received the bids for the above referenced project and has conducted an evaluation for compliance with HRC requirements. An LBE subcontracting participation goal of 17% was established for this contract.

Bid Calculations

Five firms submitted bids as follows:

Bidder	LBE Status	Base Bid	Bid Discount	Adjusted Bid
Gordon N. Ball, Inc.	-	1.38475	-	1.38475
M. Hernandez Construction, Inc.	SF LBE-MBE	1.49950	10%	1.34955
NTK Construction	SF LBE-MBE	1.54969	10%	1.39472
Cal State Constructors	SF LBE-OBE	1.55470	10%	1.39923
Trinet Construction	SF SF-WBE	1.63250	10%	1.46925



LBE Subcontractor Participation Goals

With the application of the relevant bid discounts, the lowest responsive bidder is M. Hernandez Construction, Inc., which listed 19.66% participation by HRC-certified LBE subcontractors, as detailed below:

Subcontractor	Service	LBE Status	LBE %
Bauman Landscape & Construction, Inc.	Landscaping/Earthwork	SF LBE-MBE	5.00%
Hidalgo General Engineering	Concrete Contractor	SF LBE-MBE	3.33%
Vargas & Esquivel Construction, Inc.	Paving	SF LBE-MBE	5.00%
Western Pacific Technologies	Electrical	SF LBE-MBE	5.00%
Bauer Transportation Systems, Inc.	Trucking	SF LBE-MBE	1.33%
Total			19.66%

Based on the information noted above, HRC has determined that M. Hernandez Construction, Inc. is the lowest responsive bidder, has complied with pre-award HRC 14B requirements and is eligible for award of this contract.

Over the term of the contract the SFPUC Project Manager and the Prime Contractor will notify HRC of any newly proposed task orders and the composition of the respective contractor/subcontractor teams for each respective task order. HRC will review this information to determine/facilitate progress towards the project's overall LBE subcontracting goal. In addition, the SFPUC Project Manager and the Prime Contractor will notify HRC of any proposed subcontractor additions and/or substitutions throughout the term of the contract.

Thanks for your help and should you have any additional questions and/or concerns please feel free to contact me at 415-554-3103.