



AGENDA ITEM

Public Utilities Commission

City and County of San Francisco



DEPARTMENT Construction Management Bureau AGENDA NO. _____

MEETING DATE September 22, 2009

Construction Award: Consent Calendar
Project Manager: Wendy Iwata

Contract No. WD-2611, Award, Job Order Contract, General Engineering (A-License), San Francisco/Peninsula/East Bay to Hetch Hetchy

Summary of Proposed Commission Action:	Approve the project manual and Construction Task Catalog®, and award Contract No. WD-2611, Job Order Contract (JOC), General Engineering (A-License), San Francisco/Peninsula/East Bay to Hetch Hetchy, not to exceed the amount of \$3,000,000, to the lowest, qualified, responsible and responsive bidder, Power Engineering Contractors, Inc., to perform as-needed construction tasks for all SFPUC Enterprise Operations.
Background:	<p>A JOC is an indefinite quantity contract pursuant to which the San Francisco Public Utilities Commission may accomplish a series of projects with a single, competitively bid contract awarded before the projects are identified. Contractors bid an adjustment factor to pre-set unit prices. Work is accomplished by issuing task orders to the successful contractor during the two year term of the contract.</p> <p>Job Order Contracts have been effective construction contract vehicles for the SFPUC to address the multitude of repair and replacement projects inherent in all Enterprise operations. To date, SFPUC has awarded 16 JOC contracts for a wide range of construction activities, including general construction and engineering, to lighting and Heating Ventilation Air Conditioning (HVAC) energy efficiency retrofits, and spot sewer repairs. This JOC will primarily address facility needs in the San Francisco, Peninsula and East Bay regions, but can cover any operational needs in the Hetch Hetchy region as well.</p>

APPROVAL:

DEPARTMENT /
BUREAU

FINANCE

Todd L. Rydstrom

COMMISSION
SECRETARY

Mike Housh

GENERAL
MANAGER

Ed Harrington

Result of Inaction:	A delay or denial in awarding this contract will result in several construction projects being deferred until the complete design, bid and award process has been finished for each project. This would delay needed work for several months with real impacts to daily operations.
Budget & Costs:	<p>Award: Not to exceed \$3,000,000, with a guaranteed minimum amount of \$50,000. An option to add 50% of contract value (an additional \$1,500,000) may be approved by the Commission at a later date.</p> <p>Award Criteria Figure (ACF): 1.1190</p> <p>The ACF is the multiplicative factor which is based on the Contractor's business costs, construction-related costs, and price variances and is applied to the pre-set construction prices listed in the Construction Task Catalog®. The ACF is determined on the basis of the contract award worksheet provided in the bid form and is used to determine the lowest bid.</p> <p>Funding: Funding will be available from various SFPUC Enterprise funds when Task Orders are issued. Participating departments include Hetch Hetchy Water, Energy and Power, Water Supply and Treatment, and Wastewater Enterprise.</p>
Schedule:	<p>NTP: October 2009</p> <p>End: October 2011</p> <p>Duration: Twenty-four (24) consecutive months; an additional twelve (12) month period may be approved by the Commission at a later date, for a total of thirty-six (36) months.</p>
HRC goals:	<p>Set: 16% LBE</p> <p>Submitted: 17% LBE</p>
Environmental Review:	No task order will be issued for construction requiring environmental review, excluding categorical exemptions, until the Commission has been given the opportunity to review the environmental document and take action if deemed appropriate.

<p>Bid History:</p>	<p>Advertised: July 28, 2009 Bids Received: Sealed bids were received from seven (7) firms on August 20, 2009, as follows:</p> <table border="1" data-bbox="505 384 1523 957"> <thead> <tr> <th>Bid Rank</th> <th>ACF</th> <th>Bid Preference</th> <th>Adjusted ACF</th> <th>Adjusted Rank</th> </tr> </thead> <tbody> <tr> <td>1. Power Engineering</td> <td>1.11900</td> <td>-</td> <td>1.11900</td> <td>1</td> </tr> <tr> <td>2. A&B Construction</td> <td>1.13900</td> <td>-</td> <td>1.13900</td> <td>2</td> </tr> <tr> <td>3. Yerba Buena Engineering & Construction, Inc.</td> <td>1.30000</td> <td>10%</td> <td>1.17</td> <td>3</td> </tr> <tr> <td>4. Cal State Constructors</td> <td>1.39468</td> <td>10%</td> <td>1.255212</td> <td>4</td> </tr> <tr> <td>5. Gordon N. Ball</td> <td>1.41500</td> <td>-</td> <td>1.41500</td> <td>7</td> </tr> <tr> <td>6. Sierra Mountain Construction</td> <td>1.4589</td> <td>10%</td> <td>1.31301</td> <td>5</td> </tr> <tr> <td>7. NTK Construction</td> <td>1.51090</td> <td>10%</td> <td>1.35981</td> <td>6</td> </tr> </tbody> </table> <p>Application of bid preferences in accordance with Chapter 14B of the San Francisco Administrative Code did not change the final ranking of the lowest bidder.</p> <p>Protest: Power Engineering filed a protest claiming that A&B Construction (A&B) did not meet the HRC Good Faith Outreach requirements. HRC reviewed A&B's outreach efforts and supporting documentation and deemed A&B was not responsive to the requirements. Thus, Power Engineering remains the lowest, responsive and responsible bidder on this contract.</p>	Bid Rank	ACF	Bid Preference	Adjusted ACF	Adjusted Rank	1. Power Engineering	1.11900	-	1.11900	1	2. A&B Construction	1.13900	-	1.13900	2	3. Yerba Buena Engineering & Construction, Inc.	1.30000	10%	1.17	3	4. Cal State Constructors	1.39468	10%	1.255212	4	5. Gordon N. Ball	1.41500	-	1.41500	7	6. Sierra Mountain Construction	1.4589	10%	1.31301	5	7. NTK Construction	1.51090	10%	1.35981	6
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<p>Description of Scope of Work:</p>	<p>Contract work locations are in San Francisco, San Mateo, Alameda, San Joaquin, Stanislaus and Tuolumne Counties.</p> <p>Contract work consists of general construction services, including marine-related services, pipeline, excavation, electrical, heating, ventilation, plumbing, roofing, concrete, and painting work.</p>																																								
<p>Recommendation:</p>	<p>SFPUC staff recommends that the Commission adopt the attached resolution.</p>																																								
<p>Attachments:</p>	<ol style="list-style-type: none"> 1. SFPUC Resolution 2. HRC Memo 																																								

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 09-0159

WHEREAS, Contract No. WD-2611, Job Order Contract, General Engineering (A-License), San Francisco/Peninsula/East Bay to Hetch Hetchy was advertised on July 28, 2009; and

WHEREAS, The award amount is not to exceed \$3,000,000 with a guaranteed minimum of \$50,000 for this job order construction contract to perform as-needed construction tasks for all SFPUC Enterprise Operations; and

WHEREAS, The contract duration is 24 consecutive calendar days; and

WHEREAS, Seven (7) bids were received and opened publicly on August 20, 2009; and

WHEREAS, San Francisco Public Utilities Commission (SFPUC) staff and Human Rights Commission (HRC) review of the bids for qualifications, responsibility, responsiveness and application of bid preferences resulted in the establishment of Power Engineering Contractors, Inc. as the lowest, qualified, responsible and responsive bidder; and

WHEREAS, the Award Criteria Figure from Power Engineering Contractors, Inc. was 1.119; and

WHEREAS, An HRC subcontracting goal of 16% Local Business Enterprise (LBE) participation has been established for this contract; 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

WHEREAS, Failure to comply with all City contracting requirements with two (2) weeks of notification of the Commission award 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

WHEREAS, Funding will be available from various SFPUC Enterprise funds when Task Orders are issued. Participating departments include Hetch Hetchy Water, Energy and Power, Water Supply and Treatment, and Wastewater Enterprise; 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 exemption, 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; now, therefore, be it

RESOLVED, That this Commission hereby approves the project manual and Construction Task Catalog ® and awards Contract No. WD-2611, Job Order Contract, General Engineering (A-License), San Francisco/Peninsula/East Bay to Hetch Hetchy, not to exceed the amount of \$3,000,000, with a minimum guaranteed amount of \$50,000 to the lowest, qualified, responsible and responsive bidder, Power Engineering Contractors, Inc.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of _____ *September 22, 2009*



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

Date: September 9, 2009

To: Wendy Iwata, Project Manager, SFPUC
Pauline Lam, Principal Contracts Analyst, SFPUC

From: Andrew Houston, Contract Compliance Officer, HRC

Subject: WD-2611
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 16% was established for this contract.

Bid Calculations

Seven firms submitted bids as follows:

Bidder	LBE Status	Base Bid	Bid Discount	Adjusted Bid
Power Engineering	-	1.11900	-	1.11900
A&B Construction	-	1.13900	-	1.13900
Yerba Buena Engineering & Construction, Inc.	SF LBE-MBE	1.30000	10%	1.17
Cal State Constructors	SF LBE-MBE	1.39468	10%	1.255212
Gordon N. Ball	-	1.41500	-	1.41500
Sierra Mountain Construction	SF LBE-MBE	1.4589	10%	1.31301
NTK Construction	SF LBE-MBE	1.51090	10%	1.35981

A & B Construction (Non-Responsive)

HRC has completed its review of A & B Construction’s (“A & B”) HRC 14B submittals. Based on that review, HRC has determined that A & B is non-responsive because A & B failed to submit the required supporting documentation for HRC Form 2B by the bid due date/time.

Although A & B did submit HRC Form 2B, it did not submit the required supporting good faith documentation with that form. A & B has confirmed that they did not submit sufficient good faith documentation with their bid because they mistakenly forgot to submit it with their bid package.



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HRC Form 2B states that “This Good Faith Outreach” form, along with the required supporting documentation must be completed and submitted per the instructions in this form...” In addition, HRC Attachment 6, Part I, Section 1.02 (B) clearly states the following:

FORM 2B: HRC “Good Faith Outreach” Requirements Form: Bidder shall meet the specified LBE subcontractor participation goal and demonstrate adequate good faith efforts to meet the LBE subcontracting goal. Bidder is required to submit Form 2B and all good faith documentation as specified therein. Failure to meet the LBE subcontracting goal and demonstrate/document adequate good faith efforts shall cause the Bid to be determined non-responsive and rejected.

This information is also reiterated in Part III, Section 3.01(A) of HRC Attachment 6.

The HRC items that must be submitted at the time of the bid as opposed to the HRC items that must be submitted five business days after bid opening are clearly defined in HRC Attachment 6, Part I, Section 1.02 (B) and (C). Except for Item #6 on HRC Form 2B, the good faith outreach supporting documentation must be submitted with the bid. Only that documentation identified in Item #6 may be submitted with the 5-Day Submittal Package.

Based on the aforementioned, A & B is deemed non-responsive because it failed to submit the supporting documentation required under HRC Form 2B at the time of the bid.

Power Engineering’s Bid

The lowest responsive bidder is Power Engineering (“Power”), which listed 17% participation by HRC-certified LBE subcontractors, as detailed below:

Subcontractor	Service	LBE Status	LBE %
Mark Olson Electric	Electrical	SF LBE-OBE	11.6%
Underwater Resources	Marine Services	SF LBE-MBE	4.6%
Pioneer Contractors	Structural	SF LBE-OBE	0.8%
Total			17%

Based on the information noted above, HRC has determined that Power 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 415-551-4335 or ahouston@swater.org.