

MOTION NO. M2016-63

Job Order Contract (JOC) for Construction and Maintenance Work Not Subject to Federal Procurement Requirements

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	06/09/2016	Recommend to Board	Linneth Riley-Hall, Design and Construction Contracts Manager
Board	06/23/2016	Final Action	

PROPOSED ACTION

(1) Authorizes the chief executive officer to execute a two-year contract with a one-year option to extend with Centennial Contractors Enterprises, Inc. to provide Job Order Contracting services for small, discrete construction and maintenance work not subject to federal procurement requirements for a total authorized contract amount not to exceed \$12,000,000, and (2) within the \$12,000,000 contract amount, authorizes the chief executive officer to execute individual work orders in amounts up to the maximum amount permitted by statute.

KEY FEATURES SUMMARY

- RCW 39.10.420 authorizes Sound Transit to the use of two Job Order Contracts (JOC), which are contracts in which the contractor agrees to a fixed period, indefinite quantity delivery contract that provides for the use of negotiated, definitive work orders.
- This action authorizes a JOC contract for on-call services to perform small, discrete construction and maintenance work for Link light rail, Sounder commuter rail, and ST Express bus facilities and infrastructure that are not subject to federal procurement requirements.
- State law places the following limits on JOC:
 - The total value of the work orders that may be issued to an individual job order contractor is limited to \$4,000,000 per year;
 - The maximum work order amount is \$350,000;
 - At least 90% of the work under the JOC must be subcontracted; and
 - The job order contractor must distribute subcontracts as equitably as possible among qualified and available contractors, including minority and woman-owned subcontractors to the extent permitted by law.
- The initial contract term is two years, with a one-year option to extend. The amount requested covers the initial two-year contract, and the option to extend for an additional year.
- The Project Labor Agreement (PLA) does not apply to work orders executed under this contract.
- The board has delegated authority to the CEO, through Resolution 78-2, to execute contracts and work orders up to \$200,000. This motion authorizes the CEO to execute work orders under this Job Order Contract with Centennial Contractors Enterprises, Inc., in amounts up to the statutory limit for job order contracts, which is currently \$350,000.

BACKGROUND

The JOC will be administered as an on-call, work order contract. It provides a mechanism for Sound Transit to quickly and efficiently complete construction projects including repair, rehabilitation, and/or modification, emergency response, or follow-on construction activities associated with start of service. As needs are identified, construction services work orders will be

developed, negotiated and executed. Use of this contracting method generally reduces the level of engineering, design, contract procurement time, and construction project procurement costs. Additionally, Sound Transit has also determined that the use of the JOC procedure will benefit the public by increased utilization of small and minority businesses on Sound Transit projects.

Sound Transit released a Request for Proposals (RFP) in March of 2016 and received three proposals. Two firms were short-listed after Proposal Evaluation. A Request for Final Proposal was issued and final proposals were received on May 4, 2016. The most qualified firm with the highest total score based upon the evaluation criteria established in the RFP was Centennial Contractors Enterprises, Inc.

FISCAL INFORMATION

Services provided under this contract will be funded from the Construction phase budget within operations projects where the work will be performed. The services described in the proposed action will be assigned on a work order basis after availability of budget is verified. Since the proposed services will be assigned on an as-needed basis, the distribution of costs will be determined as schedules and budgets are established for this work.

SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Participation by Small Businesses

Sound Transit promotes and encourages small business participation. Consistent with Sound Transit Policies Sound Transit has established Small Business goals for this contract. These goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of Small Businesses available to perform such subcontracting work.

For this specific contract, the following goals were set and Centennial Contractors, the successful Bidder/Proposer has committed to the Small Business goal:

Small Business Goals

Sound Transit Goal: 20%

Commitment: 20%

Subconsultant/Subcontractor	Business Type	% of Work	Amount
Onedurr Painting	Small Business	TBD	TBD
Big Mountain Electric, Inc	Small Business	TBD	TBD
Washington Heating and Air Conditioning	Small Business	TBD	TBD
Maroni Construction, Inc.	Small Business	TBD	TBD
JEM Contractors	Small Business	TBD	TBD
Commercial Fence Corporation	Small Business	TBD	TBD
United Systems Mechanical	Small Business	TBD	TBD
Sustainable Floors, Inc	Small Business	TBD	TBD
United Professional Caulking and Restoration	DBE	TBD	TBD
Eco Electric	Small Business	TBD	TBD
Building Control Systems	Small Business	TBD	TBD
Pyramid Development and Construction	Small Business	TBD	TBD
A&D Quality Construction Co	DBE	TBD	TBD
Adept Mechanical	DBE	TBD	TBD

Axiom Construction and Consulting	Small Business	TBD	TBD
Belarde Co	DBE	TBD	TBD
Compass Plumbing and Drain Services	Small Business	TBD	TBD
DPK Inc	Small Business	TBD	TBD
Kolkay Electric Inc	Small Business	TBD	TBD
Mastercraft Roofing	DBE	TBD	TBD
Metro Painting LLC	DBE	TBD	TBD
RJ Richards CE LLC	DBE	TBD	TBD
Riehl Ceilings and Specialties	DBE	TBD	TBD
Saybr Contractors Inc	DBE	TBD	TBD
Temp Rite Heating and Cooling Inc	Small Business	TBD	TBD
Uyeta Landscaping and Maintenance	Small Business	TBD	TBD
Total		20%	\$2,400,000

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one-month delay would not create a significant impact to project schedules.

PRIOR BOARD/COMMITTEE ACTIONS

Not applicable to this action.

ENVIRONMENTAL REVIEW

JI 06/01/2016

LEGAL REVIEW

LA 2 June 2016

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A motion of the Board of the Central Puget Sound Regional Transit Authority (1) authorizing the chief executive officer to execute a two-year contract with a one-year option to extend with Centennial Contractors Enterprises, Inc. to provide Job Order Contracting services for small, discrete construction and maintenance work not subject to federal procurement requirements for a total authorized contract amount not to exceed \$12,000,000, and (2) within the \$12,000,000 contract amount, authorizing the chief executive officer to execute individual work orders in amounts up to the maximum amount permitted by statute.

BACKGROUND:

The JOC will be administered as an on-call, work order contract. It provides a mechanism for Sound Transit to quickly and efficiently complete construction projects including repair, rehabilitation, and/or modification, emergency response, or follow-on construction activities associated with start of service. As needs are identified, construction services work orders will be developed, negotiated and executed. Use of this contracting method generally reduces the level of engineering, design, contract procurement time, and construction project procurement costs. Additionally, Sound Transit has also determined that the use of the JOC procedure will benefit the public by increased utilization of small and minority businesses on Sound Transit projects.

RCW 39.10.420 authorizes Sound Transit to the use of two Job Order Contracts (JOC), which are contracts in which the contractor agrees to a fixed period, indefinite quantity delivery contract that provides for the use of negotiated, definitive work orders.

This action authorizes a JOC contract for on-call services to perform small, discrete construction and maintenance work for Link light rail, Sounder commuter rail, and ST Express bus facilities and infrastructure that are not subject federal procurement requirements.

State law places the following limits on JOC: the total value of the work orders that may be issued to an individual job order contractor is limited to \$4,000,000 per year; the maximum work order amount is \$350,000; at least 90% of the work under the JOC must be subcontracted; and the job order contractor must distribute subcontracts as equitably as possible among qualified and available contractors, including minority and woman-owned subcontractors to the extent permitted by law.

Services provided under this contract will be funded from the Construction phase budget within operations projects where the work will be performed. The services described in the proposed action will be assigned on a work order basis after availability of budget is verified. Since the proposed services will be assigned on an as-needed basis, the distribution of costs will be determined as schedules and budgets are established for this work.

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The initial contract term is two years, with a one-year option to extend. The amount requested covers the initial two-year contract, and the option to extend for an additional year.

The board has delegated authority to the CEO, through Resolution 78-2, to execute contracts and work orders up to \$200,000. This motion authorizes the CEO to execute work orders under this Job Order Contract with Centennial Contractors Enterprises, Inc., in amounts up to the statutory limit for job order contracts, which is currently \$350,000.

MOTION:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is (1) authorized to execute a two-year contract with a one-year option to extend with Centennial Contractors Enterprises, Inc. to provide Job Order Contracting services for small, discrete construction and maintenance work not subject to federal procurement requirements for a total authorized contract amount not to exceed \$12,000,000, and (2) within the \$12,000,000 contract amount, authorized to execute individual work orders in amounts up to the maximum amount permitted by statute.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 23, 2016.



Dow Constantine
Board Chair

ATTEST:



Kathryn Flores
Board Administrator