



Motion No. M2021-14

Job Order Contract for Construction Services Subject to Federal Requirements

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	03/11/2021	Final action	Ted Lucas, Chief Procurement and Contracts Officer Amanda Lanier, Director of Procurement and Contracts Design and Construction Contracts Melissa Jordan, Acting Manager of Procurement and Contracts Design and Construction Contracts

Proposed action

Authorizes the chief executive officer to execute a two-year contract, plus a one-year option to extend, with Centennial Contractors Enterprises, Inc. to perform Job Order Contracting for construction work subject to federal funding requirements for a total authorized contract amount not to exceed \$12,000,000 plus applicable taxes.

Key features summary

- This action authorizes a Job Order Contract (JOC) for Sound Transit infrastructure and facilities projects through on-call public works construction services. The work under this contract is for small building and repair projects for both system expansion and non-system expansion projects that are subject to federal funding requirements.
- The Job Order Contract is a contract with a fixed period and indefinite quantities of construction services. The specific work under this contract is discrete, definitive, and negotiated using unit pricing books and executed through individual work orders.
- This contract reflects 2019 legislative changes to RCW 39.10.420 through 39.10.460, that will be in effect for work under this contract, which provide the following limits on this Job Order Contract:
 - The total value of work order that may be issued to an individual job order contractor is limited to \$4,000,000 plus applicable taxes per year. Any unused funds from the previous year may be allocated to the following year, not to exceed \$8,000,000 plus applicable taxes;
 - The maximum amount of a work order is limited to \$500,000 plus applicable taxes;
 - At least 90 percent of the work under the Job Order Contract must be subcontracted; and
 - The job order contract must distribute subcontracts as equitably as possible among qualified and available contractors, including minority and women-owned subcontractors.
 - Applicable taxes are not counted in the work order limit or the maximum annual dollar threshold.
 - Apprenticeship requirements for work orders over \$350,000.

- The amount requested covers the initial two-year contract and an option to extend for an additional year.

Background

The Job Order Contract is administered as an on-call type contract, with work executed through Individual work orders. It provides a mechanism for Sound Transit to quickly and efficiently complete public works projects including repair, rehabilitation, modification, emergency response, or follow-on construction activities.

The JOC provides effective means of reducing the total lead-time and cost for the construction of public works projects by eliminating time-consuming, costly aspects of the traditional public works process, which requires separate contracting actions for each small project. Use of this contracting method generally reduces the level of engineering, design, contract procurement time, and construction project procurement costs. As projects are identified, work orders will be developed, negotiated, and executed.

Additionally, Sound Transit has determined that the use of the JOC procedure will benefit the public by increasing the utilization of small and minority businesses on Sound Transit projects.

Procurement information

In accordance with the contract award process authorized by RCW 39.10.430, this JOC was procured utilizing a competitive process using public requests for proposals beginning on October 05, 2020.. Sound Transit received three Statement of Qualifications (SOQ), on November 13, 2020 in response to the solicitation from Avalon Contracting, Inc., Centennial Contractors Enterprises, Inc., and Schuchart Corporation. The proposals were evaluated on the following criteria: qualifications of the proposer, qualifications of the proposer's key personnel, proposer's approach to executing the project, outreach efforts and commitments to small businesses and disadvantaged businesses, and commitment to and compliance with equal employment opportunity (EEO) laws, and labor relations. After the SOQ evaluation, Sound Transit invited all three proposers to an interview. Centennial had the highest score based upon the evaluations of the SOQs and interviews, yet the competitive range was appropriate for Sound Transit to request all three of the proposers to submit proposals in response to the Request for Final Proposals (RFFP) on February 1, 2021. After review of the RFFPs, Centennial also submitted the lowest final coefficient price which Sound Transit determined to be fair and reasonable based on review of previous JOC coefficient rates as well as the current market. As a result of all of the previous evaluation steps, Centennial was determined to be the highest-ranked proposer and is therefore recommended for award.

Fiscal information

Services provided under this contract will be funded by the requesting department for which the work will be performed. Since the proposed services will be performed as-needed basis using individual work orders, the budget for each work order will be established and verified for its availability as each work order is executed.

Disadvantaged and small business participation

Participation by disadvantaged business enterprises (DBEs) and small businesses

Sound Transit promotes and encourages small business participation, which also includes disadvantaged business enterprises (DBEs). Consistent with Sound Transit Policies and federal regulations, Sound Transit has established DBE and 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 DBEs and small businesses available to perform such subcontracting work.

For this specific contract, the following goals were set and the successful proposer, Centennial Contractors Enterprises, Inc. has committed to the following DBE/small business participation:

Disadvantaged business enterprise (DBE) and small business goal commitments	
Sound Transit small business goal: 25%	Proposer small business commitment: 25%
Sound Transit DBE goal:5%	Proposer DBE commitment: 5%

Subconsultant/Subcontractor	Business Type	Amount
Ahora Construction LLC	DBE	\$ 30,000
Belarde Company, Inc.	DBE	\$ 45,000
Hughes Group, LLC	DBE	\$ 10,000
Superior Earthworks LLC	DBE	\$ 135,000
Columbia Fire, Inc	Self-certified small business	\$ 20,000
JEM Contractors, Inc	SCS	\$ 715,000
Kolkay Electric	SBE	\$ 10,000
Pinchiff Mechanica	Self-certified small business	\$ 20,000
Red Hawk Fire Protection	SCS	\$ 5,000
SHJ Electric	SBE	\$ 10,000
Total		\$ 1,000,000

Apprentice utilization commitment

Work orders over \$350,000, that also includes over 600 single trade hours, shall utilize a state registered apprenticeship program for that single trade and subject to the requirements of RCW 39.10.450 and 39.04.320.

Public involvement

Not applicable to this action.

Time constraints

A delay in approval of this contract award would delay the Agency’s ability to utilize federal funding under the Job Order Contracting method.

Environmental review – KH 2/25/21

Legal review – JSA 3/5/21



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A motion of the System Expansion Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a two-year contract, plus a one-year option to extend, with Centennial Contractors Enterprises, Inc. to perform Job Order Contracting for construction work subject to federal funding requirements for a total authorized contract amount not to exceed \$12,000,000 plus applicable taxes.

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Additionally, Sound Transit has determined that the use of the JOC procedure will benefit the public by increasing the utilization of small and minority businesses on Sound Transit projects.

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Motion

It is hereby moved by the System Expansion Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a two-year contract, plus a one-year option to extend, with Centennial Contractors Enterprises, Inc. to perform Job Order Contracting for construction work subject to federal funding requirements for a total authorized contract amount not to exceed \$12,000,000 plus applicable taxes.

APPROVED by the System Expansion Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on _____.

Claudia Balducci
System Expansion Committee Chair

Attest:

Kathryn Flores
Board Administrator