

## Motion No. M2019-66

### Job Order Contract for Construction Work Not Subject to Federal Procurement Requirements

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	07/11/2019	Final Action	Ted Lucas, Chief Procurement Officer <b>Nick Datz, Director of Procurement and Contracts, Design and Construction Contracts</b> <b>Tae-Hee Han, Manager of Procurement and Contracts, Design and Construction Contracts</b>

#### Proposed action

Authorizes the chief executive officer to execute a two-year contract with a one-year option to extend with Forma Construction Company to perform Job Order Contracting Construction Services for construction work not subject to federal procurement requirements or the Project Labor Agreement (PLA) 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 for Sound Transit infrastructure and facilities projects through on-call public works construction services. The work under this contract is for small, discrete building and repair projects for both system expansion and non-system expansion projects, that are not subject to federal funding requirements or the Project Labor Agreement (PLA).
- The Job Order Contract, is a contract with a fixed period and indefinite quantities of construction services. The specific work for under this contract is discrete, definitive, and negotiated using unit pricing books and executed through individual work orders.
- The amount requested, \$12,000,000 plus applicable taxes, includes the initial two-year contract and an option to extend for an additional year.
- 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, that provide the following limits on this Job Order Contract:
  - The total value of the work orders 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 in an 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 contractor must distribute subcontracts as equitably as possible among qualified and available contractors, including minority and woman-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.

## **Background**

The Job Order Contract (JOC) is administered as an on-call 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 require 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 RCW 39.10.430 contract award process, this contract was competitively procured on March 19, 2019 via the public Request for Qualifications (RFQ) process. Sound Transit received one Statement of Qualification (SOQ) on April 16, 2019 in response to its RFQ. Sound Transit investigated why only a single bid was received and determined that despite the single bid, competition was adequate, there were no restrictive terms preventing other firms from proposing, and the Job Order Contract was solicited in accordance with RCW 39.10.430. Sound Transit then proceeded through its procurement process, including evaluating the qualifications and interviewing the proposer. It was determined that they were responsive, responsible and qualified to perform the work and Sound Transit entered into negotiations with the firm, ultimately negotiating a favorable coefficient that was fair and reasonable. As a result of all of the previous procurement steps, Forma Construction is recommended for award on this Job Order Contract.

## **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 order, 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 small businesses and disadvantaged business enterprises (DBEs)**

Sound Transit promotes and encourages small business participation, which also includes disadvantaged business enterprises (DBEs). 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/DBEs available to perform such subcontracting work.

For this specific contract, the following goals were set and the successful Proposer has committed to the following small business below participation rates.

<b>Small business goal</b>	
Sound Transit goal: 25%	Commitment: 25%

A list of S/DBE firms currently approved to work under this contract are listed below. Additional firms may be added during the term of the contract.

<b>Subconsultant/Subcontractor</b>	<b>Business Type</b>
Accountable Custodial And Maintenance, Inc.	DBE
Airflow Mechanical, Inc.	DBE
Bear Wood Windows Inc.	DBE
Belarde Company, Inc.	DBE
Black Hills Excavating, Inc.	DBE
Columbia Fire, Inc.	Small Business
Compass Plumbing & Drain Services LLC	Small Business
Emerald City Weatherproofers Inc.	DBE
Gibson Door & Millwork Inc.	DBE
Illuminate Contracting LLC	Small Business
Ironclad Industrial Flooring	Small Business
JEM Contractors, Inc.	Small Business
JP Francis & Associates, Inc.	DBE
Marine Vacuum Service, Inc.	DBE
Mastercraft Electric, Inc.	Small Business
Metro Painting LLC	DBE
Mike McClung Construction, Co	DBE
NameAshford Electric	Small businessDBE
NetCompliance Environmental Services LLC	DBE
Northwest Asphalt	Small Business
Pellco Construction, Inc.	Small Business
Salinas Construction, Inc.	DBE
Steelkorr LLC	DBE
Talluss Architectural Products	Small Business
The Early Bird Paint Company	DBE
West Coast Flooring	Small Business
<b>Total</b>	<b>25%</b>

## **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**

The current JOC expires on July 5, 2019. Delay in execution of this contract will result in the agency without a JOC and limit the ability to deliver small projects using this method.

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**Environmental review** – KH 6/4/19

**Legal review** – JSA 7/2/19

## Motion No. M2019-66

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 with a one-year option to extend with Forma Construction Company to perform Job Order Contracting Construction Services for construction work not subject to federal procurement requirements or the Project Labor Agreement (PLA) for a total authorized contract amount not to exceed \$12,000,000 plus applicable taxes.

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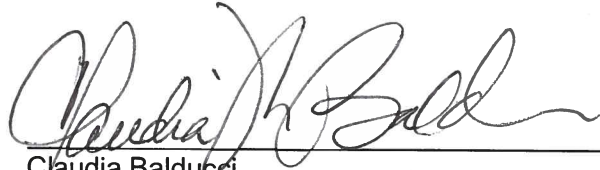
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**Motion**

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 with a one-year option to extend with Forma Construction Company to perform Job Order Contracting Construction Services for construction work not subject to federal procurement requirements or the Project Labor Agreement (PLA) 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 July 11, 2019.



Claudia Balducci  
System Expansion Committee Chair

**Attest:**

  
Kathryn Flores  
Board Administrator