



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 13

Agenda Date: January 13, 2022

In Control: City Council A Session

DEPARTMENT: Public Works Department

DEPARTMENT HEAD: Razi Hosseini

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Contract Award: Job Order Contracts (JOC)

SUMMARY:

An ordinance authorizing the execution of eight (8) Job Order Contracts with Alpha Building Corporation, Amstar, Inc., Belt Built Contracting, LLC., Con-Cor, Inc., HJD Capital Electric, Inc., Lee Construction and Maintenance Company (dba LMC), Tejas Premier Building Contractor, Inc., and The Sabinal Group, LLC., for the provision of a Job Order Contracting (JOC) program as an alternative project delivery method for incidental demolition, construction, repair, rehabilitation, alteration, and deferred maintenance on City-owned and leased buildings, parks, and other facilities of interest to the City. Each contract is for an initial term of two years with an option to renew for two additional one-year extensions at the City's discretion in an amount of \$3,000,000.00 annually for a total amount of \$12,000,000.00 per contract. This ordinance also approves the recommendation to increase the task order amount threshold issued under the JOC program requiring City Council approval from \$100,000.00 to \$250,000.00.

BACKGROUND INFORMATION:

Job Order Contracting (JOC) Background

A Job Order Contract (JOC) is often referred to as an Indefinite Delivery Indefinite Quantity (IDIQ) construction delivery method that allows facility projects to be completed through a readily available competitively awarded contract. Facility projects can include building and park maintenance, repairs, renovations and minor construction improvements. The JOC delivery method is governed under Section 2269.401 of the Texas Local Government Code.

As facility improvement needs are identified, the City may assign task orders to an awarded JOC contractor. According to Section 2269.403 of the Texas Local Government Code, any task order that exceeds \$500,000.00 must have the governing body (City Council) approval. In the City of San Antonio, any task order that exceeds \$100,000.00 requires City Council approval per City Ordinance 2007-03-29-0342 approved on March 29, 2007.

The JOC method is an innovative contracting technique created specifically for facilities maintenance and construction services. Using a JOC contract allows minor facility improvements necessitating a quick turnaround to be completed and allows companies the opportunity to build their construction business and establish a professionally reliable relationship between the City and contractors.

Procurement of Services

A Request for Competitive Sealed Proposals seeking JOC services was issued on March 25, 2021. This RFCSP was advertised in the San Antonio Hart Beat, on the City's website, the Texas Electronic State Business Daily, and through the electronic bidding website CivCast. A pre-submittal conference was held on April 14, 2021 and responses were due on May 25, 2021. Twenty-three (23) firms responded and were deemed eligible for evaluation. A selection committee made up of staff from City Manager's Office, Public Works Department; San Antonio Public Library; Office of the City Clerk; Convention & Sports Facilities Department; a member of the San Antonio Chapter of Associated General Contractors; and a member of the American Institute of Architects, evaluated and ranked the submissions. Scoring was based on the published evaluation criteria, which included Experience of Respondent, Subcontractors and Key Personnel with Job Order Contracting; Understanding of the JOC Program and Proposed Management Plan; Construction Experience in the San Antonio Region and Past Performance; Respondent's Coefficient Proposal; and SBEDA program requirements. The evaluation committee met to discuss and score all proposals on July 7, 2021. The eight (8) highest-ranked respondents are recommended for contract award.

These contracts will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts to be reviewed by a Goal Setting Committee to establish a requirement and/or incentive unique to the particular contract to maximize the amount of small, minority, and women-owned business participation under these contracts. The Goal Setting Committee applied the Small Business Enterprise Prime Contract Program with 5 evaluation preference points, Minority/Women-Owned Business Enterprise Prime Contract Program with 10 evaluation preference points and Emerging Small Business Enterprise Prime Contract Program with 5 evaluation preference points. Additionally, the Goal Setting Committee set a 24% Minority/Women Business Enterprise (M/WBE) and a 3% African American Business Enterprise (AABE) subcontracting goals. All recommended firms have committed to meeting the subcontractor participation goals.

These contracts were developed utilizing a formal RFCSP process; therefore, as required by the Ethics Ordinance for all projects where subjective criteria are used to select the contractor or consultant rather than by low bid, a Contracts Disclosure Form is attached for each recommended firm.

A post solicitation briefing to the Audit and Accountability Committee for these contracts was held on November 1, 2021. This briefing also included staff's recommendation to increase the task order amount threshold under the JOC program requiring City Council approval from \$100,000.00 to \$250,000.00.

Task Order Amount Increase under JOC Program

Presently, stand-alone projects in excess of \$100,000.00 accomplished through the Job Order Contracting Program (JOC) require council action. This requirement adversely impacts projects necessitating an urgent turn around due to the inability to sequence the delivery of multiple projects at once requiring the City to expend resources and time to prepare and receive approval to proceed. It is recommended the task order amount threshold issued under the JOC contract requiring City Council approval increase from \$100,000.00 to \$250,000.00 as a result of increased labor and material costs since the threshold was established in 2007. This increase will allow administrative approval of approximately ten JOC task orders annually between \$100,000.00 and \$250,000.00 in value resulting in expedited delivery of projects and aligning practices with other Texas cities.

A significant benefit of using JOC is expediting facility maintenance, repairs, renovations, and minor construction improvements that are either shovel-ready or require minimal design. Increasing the task order amount issued under the JOC program requiring City Council approval to \$250,000.00 will ensure projects are delivered expeditiously.

ISSUE:

This ordinance authorizes the execution of eight (8) Job Order Contracts (JOCs) with Alpha Building Corporation, Amstar, Inc., Belt Built Contracting, LLC., Con-Cor, Inc., HJD Capital Electric, Inc., Lee Construction and Maintenance Company (DBE LMC), Tejas Premier Building Contractor, Inc., and The Sabinal Group, LLC., for the provision of Job Order Contracting (JOC) program as an alternative project delivery method for incidental demolition, construction, repair, rehabilitation, alteration, and deferred maintenance on City-owned and leased buildings, parks, and other facilities of interest to the City.

Each contract is for an initial term of two years with an option to renew for two additional one-year extensions at the City's discretion in an amount of \$3,000,000.00 annually for a total amount of \$12,000,000.00 per contract; and approving the recommendation to increase the task order amount threshold issued under the JOC program requiring City Council approval from \$100,000.00 to \$250,000.00

ALTERNATIVES:

As an alternative, City Council could choose not to approve this action. However, considering the additional time required for another solicitation process this would adversely affect the timely completion of incidental demolition, construction, repair, rehabilitation, alteration, and deferred maintenance projects on City-owned and leased buildings, parks, and other facilities of interest to the City.

Should Council not approve increasing the task order amount issued under the JOC program and request staff to keep the threshold at \$100,000, this will increase the number of task orders requiring Council approval, ultimately requiring additional time, resources and limit opportunities of consolidating work efforts to timely complete projects.

FISCAL IMPACT:

Funding for these contracts may include but is not limited to the General Fund, Certificates of Obligation, Tax Notes, or other funding sources. If funding for any work activities is not previously appropriated, funding will be identified and appropriated through subsequent City Council action.

There is no fiscal impact to the City in approving the recommendation to increase the task order amount issued under the JOC program requiring City Council approval.

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing the execution of eight (8) Job Order Contracts (JOCs) with Alpha Building Corporation, Amstar, Inc., Belt Built Contracting, LLC., Con-Cor, Inc., HJD Capital Electric, Inc., Lee Construction and Maintenance Company (DBE LMC), Tejas Premier Building Contractor, Inc., and The Sabinal Group, LLC., each for an initial term of two years with an option to renew for two additional one-year extensions at the City's discretion in an amount of \$3,000,000.00 annually for a total amount of \$12,000,000.00 per contract; and approving the recommendation to increase the task order amount threshold issued under the JOC program requiring City Council approval from \$100,000.00 to \$250,000.00.