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Title: Actions pertaining to the Job Order Contracting for General Building Construction and HVAC Construction (Bid File 9549) (Citywide):

1. Adopt finding of a Categorical Exemption pursuant to Section 15301(d) of the California Environmental Quality Act (CEQA) Guidelines
2. Award a Job Order Contracting contract with Exbon Development, Inc., Durham Construction Company, Inc., Strategic Mechanical, Inc., Heritage General, Mesa Energy Systems, Inc., Puma Construction and Pride Industries One, Inc.

Sponsors: Public Works Department

Indexes:

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Attachments: 1. 20-001185 Bid Evaluation, 2. 20-001185 Standard Contract

| Date | Ver. | Action By | Action | Result |
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REPORT TO THE CITY COUNCIL

September 24, 2020

FROM: SCOTT L. MOZIER, PE, Director
Public Works Department

THROUGH: WILLIAM C. HERR, Assistant Director
Public Works Department, Facilities and Construction Management Divisions

BY: DEBBIE BERNARD, Project Manager
Public Works Department, Facilities Management Division

SUBJECT

Actions pertaining to the Job Order Contracting for General Building Construction and HVAC Construction (Bid File 9549) (Citywide):

1. Adopt finding of a Categorical Exemption pursuant to Section 15301(d) of the California Environmental Quality Act (CEQA) Guidelines
2. Award a Job Order Contracting contract with Exbon Development, Inc., Durham Construction Company, Inc., Strategic Mechanical, Inc., Heritage General, Mesa Energy Systems, Inc., Puma Construction and Pride Industries One, Inc.

RECOMMENDATION

Staff recommends that Council adopt a finding of a Categorical Exemption and award a Job Order Contracting (JOC) construction contract with Exbon Development, Inc., Durham Construction Company, Inc., Strategic Mechanical, Inc., Heritage General, Mesa Energy Systems, Inc., Puma Construction and Pride Industries One, Inc., for the first year of the JOC program and authorize the Public Works Director or designee to sign and execute the standardized contract on behalf of the City.

EXECUTIVE SUMMARY

The JOC Program offered by the Gordian Group enables the Facilities Management Division (FMD) to provide prompt, responsive building maintenance or construction service to City Departments at competitive “local market” pricing. The JOC Program provides competitively bid fixed-unit pricing for construction tasks from local contractors which can be quickly accessed by the FMD to perform needed building repairs, maintenance or alterations; or other installation and construction services. Provided to the bidders is an extensive unit price catalog of construction tasks, pricing, and associated technical specifications that contain approximately 120,000 individual items of typical construction and maintenance.

BACKGROUND

On December 17, 2009 and again on August 20, 2015, Council approved a five-year contract with The Gordian Group, Inc., that allowed FMD to utilize the JOC Program for smaller building maintenance projects. The FMD work diligently each year to complete budgeted building maintenance and renovation projects as well as be responsive to the various approved unbudgeted facility service requests received from City Departments throughout the year. The proposed JOC Program will assist the FMD to provide quality work, competitive costs, and improved responsiveness in completing small to medium-sized construction projects involving building maintenance and renovations.

The JOC program will allow for the FMD to utilize the contractors who bid for various facilities work such as remodels, replacement of HVAC units and other maintenance projects. Under the JOC program, each Contractor is guaranteed the opportunity to perform at least \$25,000 worth of projects per year the first year of the contract and up to \$1,000,000 per year; however, they are not guaranteed the upper limit. This agreement, if approved by Council, will be for the first year’s work and can be extended for an additional two years.

On August 3, 2020, staff advertised the JOC for General Building Construction or HVAC Construction on Planet Bids and advertised in The Business Journal. The JOC specification was sent to 20 prospective bidders. When submitting a bid on the JOC program, the Contractors are agreeing to the unit cost per item in the catalog of construction tasks. The contractors also submitted an adjustment factor for both normal working hours and overtime hours. These adjustment factors are where the contractors’ mobilization, permitting costs and overhead/profit would reside.

On August 25, 2020, staff received 9 bids from 7 separate bidders. Five of the bids are for the General Construction contracts and four of the bids are for the HVAC Construction contracts.

Staff recommends that Council adopt a finding of a Categorical Exemption and award a JOC

construction contract with Exbon Development, Inc., Durham Construction Company, Inc., Strategic Mechanical, Inc., Heritage General, Mesa Energy Systems, Inc., Puma Construction and Pride Industries One, Inc., for the first year of the JOC program and authorize the Public Works Director or designee to sign and execute the standardized contract on behalf of the City of Fresno.

The Contract has been reviewed and approved as to form by the City Attorney's Office.

ENVIRONMENTAL FINDINGS

Staff has determined that a Categorical Exemption is appropriate, based on Class 1 Section 15301 (d) of the CEQA Guidelines, which exempts restoration or rehabilitation of deteriorated or damaged structures, facilities or mechanical equipment to meet current standards of public health and safety. Furthermore, staff has determined that none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project. Staff recommends that the Council, based upon its own independent judgment, adopt a finding of Categorical Exemption per Staff determination, pursuant to Section 15301(d), Class 1 of the CEQA Guidelines for the work intended under the JOC program. No new facilities will be built under this program; only facility rehabilitation projects will be using the JOC program.

LOCAL PREFERENCE

Local preference was not implemented as staff is requesting to award to all bidders.

FISCAL IMPACT

The contracts will be funded through appropriations for specific projects and budgeted maintenance activities which were included in the adopted FY2021 budget.

Attachments:
Bid Evaluation
Standard Contract