



AGENDA MEMORANDUM

Future item for the City Council Meeting of July 19, 2016
Action item for the City Council Meeting of July 26, 2016

DATE: June 30, 2016

TO: Margie C. Rose, City Manager

THRU: Mark Van Vleck, Assistant City Manager
markvv@cctexas.com
(361) 826-3082

FROM: Valerie H. Gray, P. E., Executive Director of Public Works
valerieg@cctexas.com
(361) 826-3729

J. H. Edmonds, P. E., Director of Engineering Services
jeffrey@cctexas.com
(361) 826-3851

**Approval of Master Agreements
Facilities Multiple Award Contract (FMAC)
for the Minor Construction, Repair,
Rehabilitation, and Alteration of Facilities**

CAPTION:

Motion authorizing the City Manager or designee to execute a Master Agreement for the Facilities Multiple Award Contract (FMAC) program for a one-year term with option to renew administratively for up to two one-year periods, with no guaranteed minimum and a maximum aggregate of \$2,000,000 per agreement in any one year and authorizing the City Manager or designee to execute all Facilities Multiple Award Contracts thereunder not exceeding \$500,000 with the following:

- Spaw Glass
- Barcom Construction
- Cruz Maintenance & Construction, Inc.
- J E Construction Services (Alternate Contractor)

PURPOSE:

The purpose of this Agenda Item is to obtain authority to award and execute four (4) Facilities Multiple Award Contract Master Agreements for minor construction services and repair of city facilities on an as-needed basis through an alternative contracting strategy for improved project delivery at a lower cost.

BACKGROUND AND FINDINGS:

This program is consistent with other Federal, State, and Municipal governments' use of Alternative Contracting strategies to minimize the time and cost of project development and implementation. This

agenda item implements a Facilities Multiple Award Contract (FMAC) program which is a contracting method that provides for a pre-selected list of contractors to competitively bid indefinite number of projects over an extended period of time. This FMAC is planned as a 3-year contract with a one-year base plus two one-year options. The award is recommended for four contractors; the top three as primary and the fourth as an alternate. For each project three primary contractors will be invited to submit competitive bids. The fourth contractor will be activated should any of the three not be available to participate. The individual contractors have no guaranteed minimum with a maximum aggregate amount not to exceed \$2,000,000 in any one year.

This FMAC program will directly improve the scope, quality and timeliness with an overall reduced cost for the delivery of facility projects, similar to the previous Job Order Contracting Program. The FMAC process streamlines the acquisition of the construction contract, simplifies the design process, and allows Early Contractor Involvement (ECI) in the planning and design phase. The long-term relationship with these contractors and ECI allows interaction during the design to incorporate contractor recommendations to improve quality, time and cost, and specifically reduces the need for change orders. After completion of the construction for each project, the contractor(s) will be evaluated. These evaluations will be considered for future projects and options to extend the contracts. This combined process and information has an overall reduction on design timeline and cost.

On April 1, 2016, the Department of Engineering Services issued Request for Proposals (RFP) No. 2016-04 Facilities Multiple Award Contract (FMAC) for the Minor Construction, Repair, Rehabilitation, and Alteration of Facilities. The RFP was posted online at www.civcastusa.com. The Department of Engineering Services coordinated all activities. The following seven (7) respondents submitted Proposals:

1. Alpha Building Corporation
2. Barcom Construction
3. Cruz Maintenance & Construction, Inc.
4. Gourley Contracting
5. J E Construction Services
6. Spaw Glass
7. Trade Mart Construction, LLC

All seven (7) of the respondent proposals were deemed administratively complete and reviewed by the Selection Committee. The Selection Committee evaluated each proposal based on the following criteria:

1. Experience and Qualifications (20%)
2. Technical Approach, Quality Control, Safety Plans (20%)
3. Past Performance (30%)
4. Price Factor (proposed coefficients) (30%)

The panel selected the four contractors below as the most highly qualified contractors with proposals that offered the best value to the City. Award of the four (4) proposed FMAC MSA's as proposed will allow the City to employ this alternative delivery method.

- Spaw Glass
- Barcom Construction
- Cruz Maintenance & Construction, Inc.
- J E Construction Services (Alternate Contractor)

ALTERNATIVES:

1. Award a FMAC Master Agreement to a reduced number of contractors.
2. Do not authorize execution of the Master Agreements.

OTHER CONSIDERATIONS:

On December 31, 2015, the City Council was notified the Job Order Contracting (JOC) process would be cancelled due to its subjective nature. All existing contracts under that program were completed and a Multiple Award Contract process was developed to correct the inefficiencies of the JOC program. This FMAC Program replaces the previous Job Order Contract program and follows the same provisions of the Texas Government Code. The new process will utilize the same pre-qualified contractors where possible, but ask them to submit competitive bids for each job, instead of relying on pre-approved databases such as RS Means for negotiating the project price. The decision of which contractor will be chosen for the job will be based on objective criteria; the lowest qualified bidder will be chosen for the contract.

Approval of these FMAC Master Agreements authorizes City Manager, or designee, to administratively issue projects that do not exceed \$500,000 and to extend the option years based on performance of the contractor(s). Any task order (project) that exceeds \$500,000 will be presented to City Council for consideration and approval.

CONFORMITY TO CITY POLICY:

Conforms to city policy relating to RFP’s and competitive sealed proposals, Chapter 2269 of the Texas Government Code relating to Job Order Contracts, and Section 2, Article X, City Charter related to contracts.

EMERGENCY / NON-EMERGENCY:

Not applicable

DEPARTMENTAL CLEARANCES:

Not applicable

FINANCIAL IMPACT:

Fiscal Year 2015-2016	Project to Date Expenditures	Current Year	Future Years	TOTALS
Budget	\$0.00	\$0.00	\$0.00	\$0.00
Encumbered / Expended Amount	\$0.00	\$0.00	\$0.00	\$0.00
This item	\$0.00	\$0.00	\$0.00	\$0.00
Future Anticipated Expenditures This Project	\$0.00	\$0.00	\$0.00	\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00

Fund(s): Not applicable

RECOMMENDATION:

City staff recommends a Facilities Multiple Award Contract Master Agreement be awarded to Spaw Glass, Barcom Construction, Cruz Maintenance & Construction, Inc., and J E Construction Services (Alternate Contractor) for a one-year base term with option to renew administratively for up to two one-year periods, with no guaranteed minimum and a maximum aggregate of \$2,000,000 in any one year and authorizing the City Manager or designee to execute all Facility Multiple Award Contracts thereunder not exceeding \$500,000.

LIST OF SUPPORTING DOCUMENTS:

Master Agreement – Spaw Glass

Master Agreement – Barcom Construction

Master Agreement – Cruz Maintenance & Construction

Master Agreement – J E Construction Services (Alternate Contractor)

Form 1295 Certificate of Interested Parties – Spaw Glass

Form 1295 Certificate of Interested Parties – Barcom Construction

Form 1295 Certificate of Interested Parties – Cruz Maintenance & Construction

Form 1295 Certificate of Interested Parties – J E Construction Services (alternate contractor)

Powerpoint Presentation