REGIONAL SPECIALTY MECHANICAL

JOB ORDER CONTRACT

CALIFORNIA STATE UNIVERSITY, OFFICE OF THE CHANCELLOR

Pre-Bid Presentation

Contracts: RJOCN-MH002 & RJOCS-MH002

May 25, 2022
Nothing written in this presentation supersedes what is provided in your bid package. Any deviations or changes to the bid documents will be provided in the form of an addendum.
Pre-Bid Presentation Agenda

- JOC Overview
- Solicitation Details
- JOC Bid Documents
- Revised General Conditions
- Understanding the Construction Task Catalog® (CTC)
- Contractor Adjustment Factors
- Risk of Low Adjustment Factors
- Calculating the Bid
- Bid Process
- JOC Process
- Bid Considerations & Review
- Due Dates
- Questions
Indefinite delivery/indefinite quantity (Umbrella) contract

Enables contractors to complete a substantial number of individual projects with a single bid

Tasks are based on guaranteed, preset prices
Types of Mechanical Projects

From one competitively awarded contract, you are able to complete an indefinite number of mechanical projects.

- Ductwork Install & Cleaning
- Filter Replacement
- Replacement in-kind
- Maintenance
- Emergency Work
- Testing & Air Balance
Umbrella Contract

Part 1
Bidding the Umbrella Job Order Contract

- Owner Advertises Job Order Contract
- Contractors Submit Bids
- Owner Awards Umbrella Job Order Contract

Part 2
Procuring Individual Projects From Owner

- Owner Project A
- Subcontracting Opportunities
- Owner Project B
- Subcontracting Opportunities
- Owner Project C
- Subcontracting Opportunities
CSU Projects since 1999

More than $486MM completed in work:

- Classroom remodels
- Science lab remodels
- Dorm Upgrades
- Roofing
- Mechanical & HVAC
- Electrical & lighting
- Parking lot repaving
- Locker room remodel
Contract Bid Documents

• Front end documents
• Technical Specifications
• Construction Task Catalog®
Front End Documents

- Notice to Contractors
- Bid Form (Sample)
- General Conditions Supplementary
- General Conditions Special Conditions
- CSU General Conditions for JOC
- Supplementary Prequalification Form
- Sample Forms
Technical Specifications

• JOC Immediate Response, General & Specialty Technical Specifications
• Specifies Quality of Materials and Workmanship
• Corresponds with Tasks in the Construction Task Catalog®
• Order or Precedence
  • Campus Specifications
  • AE Specifications
  • JOC Specifications
Construction Task Catalog®

- Catalog of Pre-Priced Construction Tasks
- Organized by Construction Specifications Institute (CSI)
- Based on Local Labor, Material & Equipment Costs (within a 25-mile radius of campus)
- The tasks represent the “Scope of Work” for the contract
- Most current Prevailing Wage rate applied
- Priced at direct cost of construction only
General Conditions

• Bidding
• Award and Execution of Contract
• Conduct of Work
• Scope and Procedure for Job Order Work
• Interpretation of and Adherence to Contract Requirements
• Changes in the Work
• Claims and Damages
• Payment and Completion
The CSU has made (45) changes to the General Conditions and they should all be reviewed prior to submitting bids. Here are some highlights.

• 02.10 - No combination of incentives or preferences shall allow a Small Business to be displaced by a Non-Small Business.

• 03.02 – The Contractor Agreement Notice to Proceed starts when the first Job Order is issued or (6) Months after Master Agreement was executed, whichever comes first.

• 05.05 - Job Order Proposal Submittal: Contractor shall submit the proposal for the Project on or before the due date stated in the Request for Proposal (RFP) (14 days maximum unless otherwise specified).
Understanding the Construction Cost Catalog®

Build a Sidewalk

100 Preparation
- 110 Excavation
- 120 Build Forms
- 130 Place Rebar

200 Pouring
- 210 Pour Concrete

300 Completion
- 310 Setting & Curing
- 320 Strip Forms
Understanding the Construction Cost Catalog®

• Is a CONTRACT DOCUMENT
• Contractor must review and understand “Using the Construction Task Catalog®”
• Rules of the game
• Make sure you get paid for all appropriate tasks
• Pages 00 – 1 to 00-6 of the CTC

About the CTC:

This Construction Task Catalog® (CTC) was developed and customized by The Gordion Group, Inc. specifically for California State University Regional JOC Contract, priced locally using current labor, material and equipment costs, and published in November 2015.

The Gordion Group, Inc. licenses the use of this CTC and other proprietary information and software for the sole purpose of providing Job Order Contracting services to California State University Regional JOC Contract. Use of this CTC and other proprietary information and software for any other purpose, or for any other entity, is expressly prohibited without the express written consent of The Gordion Group, Inc.

The tasks in this Construction Task Catalog are organized using 00's MasterFormat.

MasterFormat™

The Unit Prices Include:

LABOR COSTS:

Labor costs include direct labor through the working time, supervision at straight-time prevailing wage rates including fringe benefits and an allowance for Social Security, Medicare taxes, workers' compensation, unemployment insurance, and employee benefits.

Labor costs include unloading equipment, materials, and tools, and transporting the same up or down 2 1/2 stories and 1/2 block to reach the project site; layout, measuring and cutting to fit, preparing to perform the task.

The Adjustment Factors Include:

The Adjustment Factors include the following costs, unless specifically excluded by the terms of the Contract Documents:

BUSINESS COSTS:

● Office overhead, including, but not limited to, office space, office equipment, office and management personnel, office supplies, and employee transportation.

EQUIPMENT COSTS:

● Equipment costs include all equipment required to accomplish the task.

● Mobilization is included for all equipment except large equipment (e.g. cranes, bulldozers, excavators, backhoes, bulldozer etc.), which include mobilization.

● Equipment costs include all operating expenses such as fuel, electricity, lubricants, etc.

MATERIAL COSTS:

● Material costs include the cost of the material, delivery, and all incidental and accessories integral to the installation.

● Material costs include manufacturer’s and or fabricator’s shop drawings.

● Material costs for refractory, drywall, VCT, carpet, wall covering, ceiling tile, pipe, conduit, concrete, etc. include an allowance for waste. This list is not intended to be all-inclusive, but descriptive of the types of construction materials that are typically sold in standard lengths, sizes and weights.

● Material costs for imported materials (e.g. aggregates, sand, soil, etc.) include delivery up to 15 miles from the closest approved source.

CSU Regional General JOC Contracts, South

November 2015

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Understanding the
Construction Cost Catalog®

General Rules:

• Unit Prices are for Complete and In-Place Construction
• Unit Prices Include Labor, Material and Equipment. Do Not Add Labor to Repointing Task
• Unit Prices Include the Cost of Delivery to Project Site, Unloading, Storage and Handling Delivery Height is up to 2 ½ Stories
• Unit Prices Include Testing, Calibration, Balancing, Etc.
• Unit Prices Include all Fasteners, Bolts, Anchors, Adhesives, Etc. For New Work
• Unit Prices for Tasks Such as Windows, Doors, Frames, Countertops, Etc. Include Sealant and Caulk
Understanding the Construction Cost Catalog®

Contractors **Do Not** Get Paid Separately For:

- Moving and Returning Furniture Occupying Less than 55% of Floor Area. For Example, Moving Classroom Furniture to Paint.
- Labor for Protecting Work in Place. For Example, a Laborer to Stay After a Concrete Pour.
- Minor Barricades and Signage.
- Portable Toilet, Field Office, Field Office Equipment for Contractor’s Use.
- Layout, Site Engineering for the Work Itself.
Non Pre-Priced Tasks

- Contractor **must** have permission from the University to use a Non Pre-Priced Task prior to submission.
- Three (3) Quotes on vendors’ or subcontractors’ letterhead.
- Justification for less than three (3) Quotes.
- Contractors mark-up is a set NPP Factor. Normal working hours times 15% with a maximum factor of 1.1500.
Detailed Scope of Work

• This documents a thorough account of activities the contractor must perform to complete the job.
  • Collaborative document between owner and contractor
  • Defines the project’s scale, location, and description
  • Details out items such as paint color, types of materials, strength of concrete required, etc.

• An agreed Scope of Work is very important! This is a prime opportunity for the contractor and campus to dissect the project into smaller details and produce an agreed scope of work to be used to build an accurate price proposal.
Contractor Adjustment Factor

Importance of Adjustment Factors

- Determines Lowest Bidder AND
- Used to Price Individual Work Orders
- Price Proposal Total Becomes the Lump Sum Job Order Amount

\[
\text{Unit Price} \times \text{Quantity} \times \text{Adjustment Factor} = \text{Total for Task}
\]

\[
\text{Unit Price} \times \text{Quantity} \times \text{Adjustment Factor} = \text{Total for Task}
\]

\[
\text{Unit Price} \times \text{Quantity} \times \text{Adjustment Factor} = \text{Total for Task}
\]

\[
\text{Total Job Order Price}
\]
Adjustment Factors

- Adjustment Factors include (but not limited to):
  - All overhead, profit and taxes for the contractor and subcontractor
  - Prep and modifications of proposals
  - Office trailers and portable toilets
  - Construction vehicles and storage devices
  - All PPE
  - Daily and final clean-up
  - Protection of all surfaces
  - Site Supervision and management meetings

*Please review Understanding the Construction Cost Catalog® for comprehensive listing*
Cost Escalation

• Per the General Conditions, the contractor is responsible for changes in material and labor costs throughout the term of the contract.

• The contractor is required to **plan for escalation** at the time of the bid.

• Contractor cannot come back for additional compensation to cover escalation.
Risks of Low Adjustment Factor

- Leads to Arguments in Proposal Review
  - Unsupportable Tasks
  - Exaggerated Quantities
- Leads to Delays in Work Order Development
  - Takes Longer to Review Proposals
- Creates an Adversarial Relationship
  - Reduced Volume of Work
  - Will Shorten Contract
  - Lost Profitability
- No Second Chance to Improve your Margin
Method to Calculate Factors

1. Use Historical Project Data
2. Select a Completed Project You Know Scope and Direct Costs
3. Price Project From CTC
4. Add on Overhead and Profit
5. Calculate the Adjustment Factor
Proposal Building Example Project

• Select multiple projects that you are familiar with based on your trade

• Doors and Hardware
• Interior Lighting
• Plumbing Fixtures
• Replace Boiler
• Include any exclusions
• Normal Working Hours Apply
### Sample Price Costs: CTC vs. Historical Cost

<table>
<thead>
<tr>
<th>Direct Cost of Work from CTC</th>
<th>Direct Cost of Work from Quotes or Estimates Based on Your Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replace Boiler</td>
<td>Replace Boiler</td>
</tr>
<tr>
<td>$ 33,055.73</td>
<td>$ 34,500.00</td>
</tr>
<tr>
<td>Doors/Hardware</td>
<td>Doors/Hardware</td>
</tr>
<tr>
<td>$ 8,282.09</td>
<td>$ 7,250.00</td>
</tr>
<tr>
<td>Lighting</td>
<td>Lighting</td>
</tr>
<tr>
<td>$ 13,119.77</td>
<td>$ 12,750.00</td>
</tr>
<tr>
<td>Plumbing</td>
<td>Plumbing</td>
</tr>
<tr>
<td>$ 11,886.53</td>
<td>$ 10,500.00</td>
</tr>
<tr>
<td><strong>TOTAL = $ 66,344.12</strong></td>
<td><strong>TOTAL = $ 65,000.00</strong></td>
</tr>
<tr>
<td>Line</td>
<td>Description</td>
</tr>
<tr>
<td>-------</td>
<td>-------------------------------------------------------</td>
</tr>
<tr>
<td>1.</td>
<td>Normal Working Hours</td>
</tr>
<tr>
<td>2.</td>
<td>Multiply Line 1 by 80%</td>
</tr>
<tr>
<td>3.</td>
<td>Other Than Normal Working Hours</td>
</tr>
<tr>
<td>4.</td>
<td>Multiply Line 3 by 15%</td>
</tr>
<tr>
<td>5.</td>
<td>Premium Working Hours</td>
</tr>
<tr>
<td>6.</td>
<td>Multiply Line 5 by 5%</td>
</tr>
<tr>
<td>7.</td>
<td>Add Lines 2 and 4 and 6 (This is the Award Criteria Figure)</td>
</tr>
</tbody>
</table>
**Sample Price: Putting it all together**

<table>
<thead>
<tr>
<th></th>
<th>CTC</th>
<th>$64,000.00</th>
<th>CTC</th>
<th>$64,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjustment Factor</td>
<td>1.2289</td>
<td>0.9040</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Value OH/P</td>
<td>78,650.95</td>
<td>57,856.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub Cost</td>
<td>(65,000.00)</td>
<td>(65,000.00)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>P&amp;OH Direct Cost</strong></td>
<td><strong>13,649.60</strong></td>
<td><em>(7,144.00)</em></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Sample Only. Contractor to determine adjustment factor. Added in Labor, and exaggerated quantities in line tasks will NOT BE ACCEPTED!*
Sample Price: Putting it all together

Job Order Contracting Program
Sample Project AF Review

Factor in this range may cover all costs.
Factor in this range may be competitive.
Factor in this range may be difficult to use.
Filling Out the Bid Form (Sample Only)

**Schedule of Prices**

The undersigned agrees to perform all work required, necessary, proper for, or incidental to completing the work called for in each individual job order issued under this Job Order Contract using the Construction Task Catalog and Technical Specifications incorporated herein with the following adjustment factors. Please enter up to 4 decimal places. (Ex: 1.234, 1.0000)

**Normal Working Hours**

Undersigned shall perform any or all functions called for during normal working hours in the quantities specified in individual job orders against this contract for the unit price sum specified in the Construction Task Catalog multiplied by this adjustment factor.

**Other Than Normal Working Hours**

*(NOTE – NO FACTOR MAY BE LESS THAN THE NORMAL WORKING HOURS ADJUSTMENT FACTOR)*

Undersigned shall perform any or all functions called for during other than normal working hours in the quantities specified in individual job orders against this contract for the unit price sum specified in the Construction Task Catalog multiplied by this adjustment factor.

**Premium Working Hours**

*(NOTE – NO FACTOR MAY BE LESS THAN THE NORMAL WORKING HOURS ADJUSTMENT FACTOR)*

Undersigned shall perform any or all functions called for during premium working hours in the quantities specified in individual job orders against this contract for the unit price sum specified in the Construction Task Catalog multiplied by this adjustment factor.

Enter working factors below. Multiply by respective percentages. Add three (3) Weight Factors to get Sum. Then divide Sum by three (3) for Total Weighted Composite Score.

<table>
<thead>
<tr>
<th>Adjustment Factors</th>
<th>Multiply By</th>
<th>Weight Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normal</td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>Other than Normal</td>
<td>14%</td>
<td></td>
</tr>
<tr>
<td>Premium</td>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

Sum: 

Total Weighted Composite Score (Sum / 3):
Public Works Registration Package Requirements

Complete and submit the following as your Bid:

1. Bid Proposal Form
2. Bidders Bond / Security
3. Certification
4. Certificate of Appropriate License, DIR, PW Registration, and CA Company
5. Small Business Preference & Certification Request (if applicable)
6. Affidavit of Joint Venture (if applicable)
7. Non-Collusion Declaration Affidavit
8. Bid Proposal Form Signature Page
JOC Benefits

- Simplifies the procurement process
- Responsive Services
- Improves the quality of work
- Increases local subcontractor participation
- Volume is driven by performance
- Develop partnership with University
- Reduced Risk & increases transparency
- A Fixed Priced, Fast Track Procurement Process
  - Eliminates pricing negotiations
- No Shelf Life for Prices or Job Orders
- The JOC process allows for a higher percentage of projects to be delivered on time and within budget
Don't Forget!

Lowest composite score from a Responsive, Responsible Bidder is Determined to be the Lowest bidder

Your factor must be inclusive of the following:

- Preparing Incidental Drawings or Sketches for Some Projects
  - Justifying Quantity Calculations
  - Explaining Detail of Work
- Preparing Proposals for Some Projects That Might be Canceled
- Price Margins on CTC Tasks will Vary
  - BUT Some Projects are More Profitable than Others
- Maintaining a Fully Functioning Local Office
  - Supplying FULLTIME onsite supervision
- Holding Required Licenses, Bonding and DIR Registry
- All labor to be paid at prevailing wage
# Solicitation Details

## Southern Campuses
- CSU Bakersfield
- CSU Office of the Chancellor
- CSU Channel Islands
- CSU Dominguez Hills
- CSU Fullerton
- CSU Long Beach
- CSU Los Angeles
- CSU Northridge
- Cal Poly Pomona
- CSU San Bernardino
- CSU San Marcos
- San Diego State University

## Northern Campuses
- CSU Chico
- CSU East Bay
- CSU Fresno
- California Maritime Academy
- CSU Monterey Bay
- CSU Sacramento
- San Francisco State University
- San José State University
- Cal Poly San Luis Obispo
- Sonoma State University
- CSU Stanislaus
Solicitation Details - Prequalification

- All Prospective Bidders must be financially prequalified with the Trustees
  - For the Systemwide Financial Prequalification go to: http://www.calstate.edu/contractor-prequalification
  - In addition to the Financial Prequalification, contractors must submit and satisfy a Supplementary Prequalification (past performance) form.
  - The Supplemental Prequalification will be provided in the sample bid package.
    - Contractor must hold same company name a valid contractor’s C-20 License issued by the California CSLB for three (3) years.
    - Bidders must demonstrate 3 concurrent projects over the last 3 years with a minimum value of $200,000
    - All project listed must have a minimum value of $200,000
    - All projects must have been completed in the last 3 years
    - All projects listed must have been at least 51% self-performed
  - Submit the completed Supplementary form directly to cocm.prequal@calstate.edu
- Both the on-line Financial Prequalification application and Supplemental Prequalification form are to be submitted no later than 06/16/22.
- Official Bid Forms Will Be unlocked electronically to Prequalified Bidders only.
- Failure to provide this information will result in disqualification.
Solicitation Details

• Differing Site Conditions or Changes in Scope
  • Priced from Construction Task Catalog®
  • Supplemental Job Order
  • No Negotiated Change Orders

• Filings and Permits
  • Fees paid for all Permits reimbursed 100% - **No Markup**

• Liquidated Damages
  • On a Job Order - by - Job Order basis
  • Sliding Scale Based on Job Order Value

• DVBE Bid Advantage (Review requirements in the General Conditions)
• Bid Security: $25,000
Solicitation Details

• **DVBE Participation**
  - 3% DVBE Participation Required (State Law)
  - Good Faith Effort Will Not Be Accepted
  - For more information contact Thomas Johnson
    • (323) 333-9222
    • tjohnson@calstate.edu

• **SBE / DVBE Incentives**
  - 5% SBE Preference
    • General certifies that they are an SBE
    • General (Non-SBE) commits to using 25% SBE Subs
  - DVBE Incentives*
    • 4-6% or more yields an incentive rate of 1-3%

* Failure to meet minimum DVBE obligation may result in penalties (see General Conditions for additional information)
<table>
<thead>
<tr>
<th>DVBE Participation</th>
<th>Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.00% to 3.99%</td>
<td>None</td>
</tr>
<tr>
<td>4.00% to 4.99%</td>
<td>1%</td>
</tr>
<tr>
<td>5.00% to 5.99%</td>
<td>2%</td>
</tr>
<tr>
<td>6.00% or more</td>
<td>3%</td>
</tr>
</tbody>
</table>
Solicitation Details

Internet Based Software Provided with Contract

- Software Training Expedites the Job Order Process in eGordian or Gordian Cloud
  - Price Proposal building and review
  - Ongoing training as needed for new hires
  - Troubleshooting
  - Subcontractor tracking
### Bid Schedule Of Events
#### Regional Specialty Mechanical Contracts

- **Regional Specialty Mechanical Bid Documents Available**: May 25, 2022
- **Advertised to Planet Bids**: May 25, 2022
- **Prequalification forms (general & supplementary) due**: June 16, 2022
- **Affidavit of Joint Venture Form due**: June 23, 2022
- **Last day to ask RFI Questions**: June 20, 2022
- **Issue Addenda (if any)**: June 24, 2022
- **Bids Due before 2:00 pm**: June 30, 2022
- **Original Bid proposal Signature page / Bid Security due**: July 1, 2022
- **Posting of Bid Abstract on PlanetBids**: July 5, 2022
- **Notice of Intent to Award**: July 8, 2022
- **Contract Commencement**: July 22, 2022*

*Note: eBid proposals not received by the date and time specified will be rejected. Bidders should allow enough time to upload their bid documents online. Bidders will automatically be locked out of PlanetBids at closing time.

* Per Revised General Conditions 03.02 – The Contractor Notice Proceed starts when the first Job Order is issued or (6) Months after Master Agreement was executed.*
Solicitation Details

- JOC has a Fixed One Year Term
- No Guaranteed Minimum Value
- Each JOC has an Initial Maximum Contract Value $1,000,000
- No Single Job Order can be Awarded for more than $929,000

- 2 contracts awarded for **Regional Specialty Mechanical** – South
- 2 contracts awarded for **Regional Specialty Mechanical** – North
Competitive Bid

• Must Bid Three Adjustment Factors
  • **Daytime Working Hours** – 7am to 5:30pm - Monday through Saturday
  • **Nighttime Working Hours** – 5:31pm to 6:59am - Monday through Saturday
  • **Premium Hours** – 12am to 11:59pm – Sunday, legal holidays, and Overtime (Note Special Conditions)
• Same Adjustment Factors Apply to All Tasks in the CTC
• Must Include all Indirect Costs & Profit
Regional Specialty Mechanical Contract Bids

**Bid Due date (bid documents are uploaded to PlanetBids.com)**
- Thursday, June 30, 2022, before 2:00 pm
- Bidders will be locked out of PlanetBids at 2:00 pm

**Bid Results will be posted on PlanetBids within 48-72 hours after bids are received**
- Original documents (Bidders Bond & Signature Page) must arrive to CSU before 4:00 pm on July 1, 2022
- Most responsive and responsible Bidders in both regions will be determined
All questions concerning these solicitations must be received via email no later than:
Regional Specialty Mechanical Contracts – June 20, 2022

Confirm that your firm has reviewed the Pre-Bid Presentation and email cocm.prequal@calstate.edu

Jeremy Gomoljak, Construction Manager
CSU Office of the Chancellor
CPDC – Construction Management
401 Golden Shore, Long Beach, CA 90802
Telephone: 562-951-4163
Email: cocm@calstate.edu

All Questions Must Be in the form of an RFI (Request For Information)