

## **Business Services Contracts Office**

5735 47<sup>th</sup> Avenue, Sacramento, CA 95824 (916) 643-2464

Jorge Aguilar, Superintendent Gerardo Castillo, Chief Business Officer

## **REQUEST FOR PROPOSALS**

For

## LEASE-LEASEBACK CONSTRUCTION

## **SERVICES**

For

## SUTTER HVAC REPLACEMENT

Request for Proposal Issued: December 21, 2017

Mandatory Site Walk: January 10, 2018

Deadline for Submittal of Proposals: January 30, 2018

#### Request for Proposals for Lease-Leaseback Construction Services

(Sutter HVAC Replacement)

#### I. <u>OVERVIEW</u>

The Sacramento City Unified School District (the "District" or "Owner") is seeking proposals from qualified providers of Lease-Leaseback Construction Services ("Contractors") to perform HVAC replacement at Sutter Middle School ("Project"), 3150 I Street, Sacramento. Contracts will be awarded by the Board under the provisions of Education Code section 17406, *et seq*.

The Governing Board of the District is planning to select a contractor for the Project at its regular Board meeting on February 15, 2018. The Board reserves the right to postpone or cancel this selection. The meeting will be held at 6:30 p.m. at Serna Center Community Rooms, 5735 47th Avenue, Sacramento, California.

All Contractors submitting proposals must be prequalified pursuant to Education Code section 17406 subsection (a)(2)(C) and Public Contract Code section 20111.6 subsections (b) through (m), prior to submitting a proposal.

The District prequalifies prospective contractors on an annual basis, and such prequalification is valid for one year from the date of the initial prequalification. Contractors that have been prequalified pursuant to the District's annual prequalification process no more than twelve (12) months prior to submittal of its proposal for the Project shall be deemed prequalified for purposes of submitting a proposal in response to this Request for Proposals ("RFP"). For Contractors that have not been prequalified by the District within the past twelve (12) months, prequalification applications are available at www.scusd.edu/contractor-prequalification. To submit a proposal for this project, your application must be submitted by January 19, 2018.

For all projects over Twenty-five Thousand dollars (\$25,000): the proposing Contractor and any proposed subcontractors shall not be qualified to submit a proposal, or to be listed in a proposal, for the Project, and shall not be qualified to enter into, or engage in the performance of, the Lease-Leaseback Agreement, unless currently registered and qualified under Labor Code section 1725.5 to perform public work as defined by Division 2, Part 7, Chapter 1 (§§1720, et seq.) of the Labor Code. The Contractor's registration must remain active throughout the term of the agreement.

The District reserves the right to cancel or revise this RFP in part or in its entirety. If the District cancels or revises the RFP, all Contractors will be so notified by addenda. The District also reserves the right to extend the date on which responses are due, the date on which it announces the results of its best value analysis, or the date on which the award will be made.

Respondents are advised that this is a public works project for purposes of the California Labor Code, which requires payment of prevailing per diem wages, as well as wages for legal holidays and overtime. These rates are set forth in a schedule, which may be found on the California Department of Industrial Relations website at www.dir.ca.gov. Any Contractor to which a contract is awarded

must pay the prevailing rates, post copies thereof at the job site, provide payroll records when required, and otherwise comply with applicable provisions of state law.

The Project shall be governed by a Project Labor Agreement ("PLA"). The successful Contractor (and all Subcontractors) will be required to execute an "Agreement to be Bound", whereby Contractor and Subcontractors agree to conform to all terms and conditions set forth in the PLA. The full text of the PLA is available on the District's website.

The District does not discriminate on the basis of race, color, national origin, religion, age, ancestry, medical condition, disability, or gender in consideration for an award of contract.

To submit a proposal for this Project, the Contractor is required to possess one or more of the following State of California Contractor Licenses: B – General Building.

A mandatory pre-bid conference and site visit will be held on January 10, 2018 at 9:00 a.m. at 3150 I Street, Sacramento. All participants are required to meet in front of the school, near the flagpole. Bidders are required to arrive for the pre-bid conference on time and to sign an attendance list.

#### II. GENERAL INSTRUCTIONS

Interested firms are invited to submit one (1) original signed proposal, three (3) additional hard copies, and one (1) digital copy (flash drive) in write protected PDF format.

The proposal shall be submitted in the format provided and the complete proposal, together with any and all additional materials, shall be enclosed in a sealed envelope addressed and delivered to the following address no later than January 30 2018, at 4:30 p.m.

Sacramento City Unified School District Contracts Office 5735 47th Avenue Sacramento, CA 95824 Attention: Jessica Sulli, Contract Specialist

The sealed envelope shall be marked on the outside lower left corner with the word "RFP for Lease-Leaseback Construction Services – Sutter HVAC Replacement". It is the firm's sole responsibility to ensure that their response is received prior to the scheduled closing time for receipt of statements of qualifications. No corrected or resubmitted proposals will be accepted after the deadline. Faxed responses are not appropriate for submission and will not be accepted. Proposals not received by the deadline or in the proper format will be returned unopened.

This Request for Proposal does not commit the Sacramento City Unified School District to award a contract or pay any costs incurred in the preparation of a response to this request. Costs of preparing a proposal in response to this RFP are solely the responsibility of the responding Contractor. The District reserves the right to cancel in part or in its entirety this Request for Proposal.

All requirements must be addressed in your proposal. Non-responsive proposals will not be considered. All responses, whether selected or rejected, shall become the property of the District. Firms are responsible for checking the website periodically for any updates or revisions to the RFP. All proposals will be considered valid and prices will be considered fixed for a period of sixty (60) days following submission.

No business entity, including any agent of such entity, shall directly or indirectly contact any District Board of Education member immediately before or during the RFP process of any project on which the business entity intends to or has submitted a RFP. Any vendor violating this policy shall be deemed disqualified from the RFP. Should such contact come to light after the RFP is awarded and the entity was deemed the successful Responder, the Board reserves the right to cancel any contract awarded, in which case, the vendor shall be liable for any damage incurred by the district. The Board shall exercise its best judgment for the benefit of the district in making a decision whether to proceed or not, depending on all of the facts and circumstances.

#### III. SCOPE OF SERVICES

The scope of the project includes:

- 1. Removing the existing classroom unit ventilators and replacing with furnace units and fabric ductwork.
- 2. Removing and replacing the existing roofing system below the existing mechanical support frame and chase.
- 3. Removing and replacing the existing rooftop condensing units.
- 4. Adding economizers to the units at the portable buildings.
- 5. Removing the existing boiler units.
- 6. Retrofitting the existing lighting fixtures for Prop 39.
- 7. Removing and replacing the existing kitchen fume hood.
- 8. CMU crack repair/rehabilitation.
- 9. Other work as shown in the documents and as required for a complete and operational project.

The District has retained Kevin Arwood of Rainforth Grau Architecture ("Architect"). The plans and specifications may be obtained in e-Builder at <a href="https://bidders.e-builder.net/landing?bidpackage">https://bidders.e-builder.net/landing?bidpackage</a> id=b2e9dcab-11a8-4d69-a419-dc2db34d820a or by calling the Architect at (916) 368-7990.

The District is utilizing construction program management software, e-Builder<sup>TM</sup>, for its construction projects. Contractor will be required to utilize e-Builder<sup>TM</sup> software for this Project as all project information will be available only through e-Builder. If you need technical assistance, please contact technical support at e-Builder, (888) 288-5717, or support@e-builder.net. You may also call the Planning & Construction Office (916) 264-4075 x1020 for assistance.

#### A. Construction and Post-Construction Services

The Contractor shall perform all work and obligations described in the Contract Documents, including the following construction and post-construction services:

- 1. Construction of the Project in accordance with the plans and specifications.
- 2. Coordinate and expedite record drawings and specifications.
- 3. Compile operations and maintenance manuals, warranties/guarantees, and certificates.
- 4. Prepare final accounting and close-out reports.
- 5. Other responsibilities necessary for the completion of the Project in accordance with the plans and specifications.

#### B. Cost Estimate

The District estimates the total cost for this Project will be \$5,500,000. This estimate is based solely on the Architect's most recent estimate of the total Project costs and is subject to change.

#### C. Financing

The successful Contractor will be financing the construction of the Project through a lease-leaseback arrangement, and the District will be paying Contractor for its construction and financing through monthly lease payments that will extend beyond the completion of the construction.

#### D. Scope of the Lump Sum Proposal; Proposed Budget

The District will require an open book policy with the successful Contractor and its construction team on the entire Project, meaning that all costs included in the Contractor's Total Sublease Amount and each monthly Sublease Payment shall be clearly set forth to the District's satisfaction, including soft costs, site improvements, and the construction of the buildings. The District shall be entitled to have access to subcontractor bids, value engineering back-up, contingency breakdown and tracking, general conditions breakdown and tracking, documentation of Contractor's fees, and all other information necessary to verify construction costs.

The Project is subject to the payment of prevailing wages under the California Labor Code and applicable regulations, and the Project will be subject to compliance monitoring and enforcement by the California Department of Industrial Relations.

#### E. Scope of the Lump Sum Price Proposal

All proposals shall be in the form of a lump sum price. The lump sum price proposed by Contractor shall be the Total Sublease Amount in the Contract Documents, which shall constitute the total compensation to Contractor for constructing the Project and performing the Work. Each Contractor's proposed lump sum price for the Project must cover all of Contractor's profit, and all of its costs of construction of the Work specified in the Contract Documents, including but not limited to the following:

- General conditions and general requirements, including but not limited to temporary facilities, utilities, structures, fences, dust control, scheduling, safety, scaffolding, and SWPPP.
- 2. All subcontractor costs and material and equipment supplier costs.
- 3. Contractor's overhead, supervision of subcontractors and other management responsibilities, and its materials, equipment, and employees/labor (including but not limited to wages, salaries, and benefits) costs, for any work performed by the Contractor.
- 4. All bonds and insurance, including but not limited to payment and performance bonds.
- 5. All other costs incurred in performance of Contractor's obligations under the terms of the Contract Documents, including but not limited to the Lease-Leaseback Agreement, Site Lease Agreement, and Sublease Agreement.

#### F. Time to Complete

It is anticipated that construction will start on or about June 15, 2018. Time of completion for this project shall be sixty-two (62) calendar days from the issuance date of the District's Notice to Proceed.

#### G. Subcontractors

All subcontractors who will perform more than 0.5% of the construction Work must be selected by a competitive bidding process or best value process as described in Education Code section 17406(a)(4). Contractor shall establish reasonable qualification criteria and standards for subcontractors and shall provide public notice of availability of work to be subcontracted in accordance with the publication date applicable to the District's competitive bidding process, including a fixed date and time on which qualifications statements, bids, or proposals will be due.

All electrical, mechanical and plumbing contractors shall be prequalified pursuant to Education Code section 17406 subsection (a)(2)(C), and Public Contract Code section 20111.6 subsections (b) through (m), prior to Contractor's submission of its proposal.

All subcontractors shall be afforded the protections of the Subletting and Subcontracting Fair Practices Act (commencing with Public Contract Code section 4100).

#### IV. CONTENTS FOR PROPOSALS

In order for the proposal to be considered, said proposal must be clear, concise, complete, well organized, and demonstrate Contractor's qualifications, and ability to follow instructions. The quality of answers, not length of responses or visual exhibits is important.

Contractors shall submit one (1) original signed proposal, three (3) additional hard copies, and one (1) digital copy (flash drive) in write protected PDF format. The proposals shall be organized in the format listed below and shall be limited to thirty (30) pages (excluding attachments and appendices) on 8 ½" x 11" paper with all responses bound with tabs separating each section. Contractors shall read each item carefully and answer accurately to ensure compliance with District requirements.

Failure to provide all requested information or deviation from the required format may result in disqualification.

#### A. Cover Letter

A signed letter of interest (no more than one page) stating the Contractor's interest and qualifications in providing the services as outlined in the RFP. Cover letter should include contact name, address, telephone number, and email address.

B. Price Proposal – a detailed breakdown of all costs

C. Designated Subcontractor List

#### V. <u>SELECTION PROCEDURES AND GUIDELINES</u>

The purpose of this RFP is to enable the District to select the Contractor that submitted the proposal that is the best value to the District for the Project as required by Education Code section 17406. The term "best value" as used in this RFP is defined in Education Code section 17400, and is inclusive of a competitive procurement process whereby the Contractor is selected on the basis of objective criteria for evaluating qualifications with the resulting selection representing the best combination of price, qualifications, and experience.

The District will use the selection process outlined below, which conforms to Education Code section 17406 and ensures that the best value selection by the District is conducted in a fair and impartial manner. A review and selection committee composed of key District officials and consultants will review and evaluate all proposals.

Proposals will be opened privately to assure confidentiality and to avoid disclosure of the contents to competing Contractors prior to and during the review and evaluation process. Following selection of a Contractor pursuant to this RFP, proposals may be subject to disclosure in accordance with applicable law.

#### A. Selection Process

#### 1. Qualification Portion

For the qualifications portion of the best value analysis, the District will evaluate each contractor based on the contractor's responses provided as part of the District's prequalification application, which is inclusive of the specific criteria listed below and each Contractor's qualifications will be scored on a one hundred (100) point scale. The maximum number of points available to any Contractor is 100 points. These criteria are as follows:

- Licensure
- Business Information
- Company History

- Disputes
- Bonding History
- Legal Compliance

For the qualifications portion of the best value analysis and for the purpose of evaluating Contractors' qualifications pursuant to the criteria set forth above, the District will evaluate each Contractor on the basis of the responses provided in the Contractor's completed Prequalification application Contractor's overall prequalification score. All Contractors achieving a minimally prequalifying score (75% on the prequalification application) will be scored pursuant to the following scale:

Contractor's Prequalification Score	Points Awarded For Qualifications
130	100
125 – 129	95
120 – 124	90
115 – 119	85
110 – 114	80
105 – 109	75
100 – 104	70
98 – 99	65
97 or less	Contractor Not Prequalified/Cannot
	Submit Proposal

In conjunction with a proposal, each proposing Contractor must submit the Prequalification Certification ("Exhibit C") certifying that Contractor's responses in its Prequalification submission continue to be true and correct at the time Contractor submits a proposal.

If any of Contractor's answers to the Prequalification application have changed since becoming prequalified and are no longer true and correct, then the proposing Contractor must prequalify pursuant to the District's prequalification process. A Contractor whose information provided during the prequalification process is no longer correct, even if previously prequalified, shall not be considered prequalified for purposes of this Project and its proposal will not be considered by the District unless Contractor has re-completed the District's prequalification process using the corrected/updated information and is determined to be prequalified.

#### 2. Experience

For the experience portion of the best value analysis, the District will evaluate the following four criteria: Contractor Solvency, History of Performance, Owner-Contractor Relationships, and History of Disputes. Each criterion is comprised of requests for additional information and/or questions to Contractor (which are set forth below), and each request or question must be responded to by Contractor. Contractor's responses to the requests/questions for each criterion will be evaluated by the District, and the District will award a point value to Contractor for each criterion. Contractor's overall experience will be scored on a one-hundred (100) point scale, with each of the four criteria worth a maximum total of twenty (25) points.

Contractor's responses should be included on a separate sheet of paper and attached to Contractor's proposal. Every request or question for each criterion must be responded to, and any request or question answered "yes" must be further explained. At the District's discretion, an omission of requested information may result in an automatic rejection of the proposal submitted by Contractor, a reduction in the overall score awarded by District for the applicable criterion, or a total score of zero (0) for the applicable criterion.

The four criteria and the requests and/or questions that Contractor must answer are as follows:

#### i. Contractor Solvency

- a. Describe your general approach to ensuring that your company remains solvent and is able to fulfill all payment obligations to sureties, subcontractors, suppliers, materialmen, and other vendors.
- b. How many projects does your company currently have under bond?
- c. What is your company's current total bonding capacity?
- d. What is your company's current available bonding capacity?
- e. Has your company been unable to obtain a bond for a contract in the past five years? If yes, please explain.
- f. Has your company ever declared bankruptcy or been placed in receivership? If yes, please explain.

#### ii. History of Performance

- a. Using the form attached (Exhibit B) provide summaries of up to six (6) projects (including up to three (3) recent projects for the District, as applicable) completed by your company in the past ten years that are similar to the Scope of Work described in this RFP. For each project summary please provide the project name and client, a description of the scope of work, and a description of your role in the lifecycle of the project. If applicable, please specify if the project was a K-12 school project and/or conducted under Education Code section 17406, *et seq.* (i.e., a Lease-Leaseback project). Provide examples of more than one owner to the extent possible.
- b. Describe your specific experience with K-12 public school projects conducted under Education Code section 17406, *et seq.* (i.e., Lease-Leaseback projects).
- c. Describe your specific experience with projects subject to review and approval by the Division of the State Architect ("DSA"), and further describe your general approach to working with DSA field inspectors to obtain necessary approvals.

- d. Describe your general approach to ensuring that projects are completed on time and within budget.
- e. Describe your company's general approach to providing high-quality construction services.
- f. Describe your company's approach to being proactive when problems arise on a project. Additionally, please provide a detailed description of a situation where your company avoided or mitigated a significant issue on a project (i.e., delay, cost increase, non-performing subcontractor, etc.).
- g. Describe your company's general approach to managing a project within the contract price, including specific methods to mitigate or avoid change orders and cost increases.
- h. Has your company ever failed to enter into a contract after being selected for a new school construction or modernization project? If yes, please explain.
- i. In the past five years, has your company failed to complete a contract within the authorized contract time? If yes, please explain.
- j. In the past five years, has your company's contract on a public works project been terminated or canceled by the public entity owner? If yes, please explain.
- k. In the past five years, has your company contracted on a public works project subject to a Project Labor Agreement? If yes, please explain.

#### iii. Owner-Contractor Relationship

- a. Describe your company's general approach to building and maintaining positive, responsive, collaborative, and trusting relationships with project owners, including any specific methods or techniques utilized by your company.
- b. Describe you understanding of the term "partnership mentality" and explain how a partnership mentality may benefit a contractor and project owner. Additionally, describe how a partnership mentality may benefit the District and your company with respect to this Project.

#### iv. History of Disputes

- a. Describe your company's general approach to avoid or mitigate disputes between your company and: (i) project owners; and (ii) your vendors (subcontractors, suppliers, etc.). Describe any specific methods or techniques utilized by your company to avoid or mitigate disputes with owners and vendors.
- b. Has your organization been involved in litigation or arbitration in the past five years related to a construction project? If yes, please explain.

- c. How many stop notice enforcement lawsuits against your company have been lost or settled by the company in the past five years? If the answer is more than "zero", please describe each stop notice that was lost or settled.
- d. How many unresolved change orders resulted in a claim filed by your company against a project owner in the past five years? If the answer is more than "zero", please explain each claim submitted.

#### 3. Price Proposal Portion

For the price proposal portion of the best value analysis, the District will evaluate the amount of Contractor's lump sum price. The price proposal portion of the best value analysis will also be scored on a one hundred (100) point scale. District will score Contractors on the basis of the lowest to highest price proposal submitted. All Contractors submitting a price proposal will receive points, in increments of ten (10), based on the amount of the price proposal, with the Contractor with the lowest price proposal receiving the most points available and the Contractor with the highest price proposal will receive 100 points, the Contractor with the second lowest price proposal will receive 90 points, the Contractor with the third lowest price proposal will receive 80 points, and so forth until all Contractors have received points. In the event two Contractors submit price proposals with the same overall price, both Contractors shall be awarded the same amount of points.

#### 4. Total Best Value Score

After the District has allocated points to qualifying Contractors for the qualification, experience, and price proposal portions of the best value analysis, the District will combine the points received by each Contractor based on Contractor's qualifications, experience, and price proposal to create each Contractor's "best value score." District will then rank all Contractors based on each Contractor's best value score. The Contractor with the highest best value score (highest combined point total from the qualifications, experience, and price proposal analysis) shall be ranked highest, and all remaining Contractors shall be ranked in descending order based on the Contractor's best value score, such that the Contractor receiving the lowest best value score receives the lowest ranking.

#### VI. Award

This RFP does not commit the District to award a contract, to defray any costs incurred in the preparation of a proposal pursuant to the RFP, or to procure or contract for work. The District reserves the right to waive any irregularities in the proposals received pursuant to this RFP, or in the process outlined herein for selection of a contractor for the Project.

The District reserves the right to reject any or all proposals, or waive any irregularities in any of the proposals submitted pursuant to this RFP. The Lease-Leaseback Agreement shall be awarded to the responsive Contractor with the highest best value score. In the event of a tie (more than one Contractor have the same highest best value score), District may award the Lease-Leaseback Project to the Contractor of its choice.

If the Contractor to which the Board awards the Lease-Leaseback Agreement refuses to execute the Lease-Leaseback Agreement and submit a payment bond, performance bond, proof of required insurance, and other required documents, the Board may revoke the award to that Contractor and award to the Contractor that submitted the next highest ranked proposal.

#### **EXHIBIT A**

#### Ranking of Best Value Scores

#### **SECTION I – CONTRACTOR QUALIFICATIONS**

In the follow table, enter all proposing Contractors and the total points received from the qualifications evaluation (Maximum points available per Contractor is 100).

CONTRACTOR	POINTS AWARDED

#### <u>SECTION II – CONTRACTOR EXPERIENCE</u>

In the follow table, enter all proposing Contractors and the total points received from the experience evaluation, based on questionnaire (Maximum points available per Contractor is 100).

CONTRACTOR	POINTS AWARDED

#### **SECTION III – LUMP SUM PRICES**

In the following table, enter all proposing Contractors based on their lump sum prices in order from lowest to highest. In the event two Contractors submit price proposals with the same overall price, both Contractors shall be awarded the same amount of points. (For example, if two Contractors submit a price proposal of exactly \$1 million, which would qualify them both as the second lowest proposal, each Contractor shall receive 90 points.)

CONTRACTOR	LUMP SUM	POINTS
	PRICE	AWARDED
		100
		90
		80
		70
		60
		50
		40
		30
		20
		10

#### **SECTION VI – BEST VALUE SCORE**

In the following table, enter all proposing Contractors, their interim score, interview and presentation score, and their total combined score. The total combined score is the Contractor's "best value score."

CONTRACTOR	INTERIM SCORE	INTERVIEW AND PRESENTATI ON SCORE	COMBINED TOTAL

### SECTION VII – BEST VALUE RANK

In the following table, enter all proposing Contractors and best value score in order from the highest best value score to the lowest best value score. The Contractor with the highest best value score shall be ranked No. 1 overall.

CONTRACTOR	BEST VALUE SCORE	RANK
	(highest to lowest)	
		1
		2
		3
		4
		5
		6
		7
		8
		9
		10

# EXHIBIT B SIMILAR PROJECTS (History of Performance)

Project	Owner/Contact Info	Scope of Work	Your Role

Project	Owner/Contact Info	Scope of Work	Your Role

# EXHIBIT C PREQUALIFICATION CERTIFICATION FOR LEASE-LEASEBACK PROPOSAL

I,,	am authorized to represent	and sign
this certification on its behalf to acc	am authorized to representcompany the proposal that	is
	Crocker Classroom Wing at California	Middle School ("Project").
I certify and declare that:		
•	was previously prequalifie	ed by the Sacramento City
Unified School District ("I	was previously prequalified District") to submit bids and proposa	als on District public works
projects;		
	tyBidders, issued such prequalification	
	ge, such prequalification has not expir	ed; and
• The scope of such prequali	fication covers the Project.	
In addition, I certify and declare the	at: (Choose one)	
All information submitted b	oy in conjunc	ction with its prequalification
	and complete, and requires no updated	
Some of the answers and/o	or financial statements of	submitted in
	requalification questionnaire are no lo	
	required. I understand that	
re-prequalify pursuant to the	he District's process for prequalificat	tion using updated, accurate
and complete information.	I further understand that if	does not
* ·	updated, accurate, and complete info	· ·
leaseback proposal.	serves the right to discard and not co	onsider my company's lease-
теазеваек рторозат.		
	hich is proven to be false shall be gro	
that I have authority to bind	om submitting a proposal for the Pro-	ject. I represent and warrant
that I have authority to blid	•	
I certify and declare that I have r	ead all the foregoing answers in this	certification and all of the
•	ication above, and know their content	
certification are true of my own kno	wledge and belief, except as to those n	natters stated on information
and belief, and as to those matters	I believe them to be true. I declare un	der penalty of perjury under
the laws of the State of California,	that the foregoing is correct.	
Executed this day of	, 2017.	
Signature	Name of F	Proposing Contractor
Printed/Typed Name		