JOB ORDER CONTRACT – JOC 16-040, JOC 16-041 AND JOC 16-042

FOR FACILITIES – MINOR CAPITAL OUTLAY PROJECTS

MANDATORY PRE-BID CONFERENCE

10:30 a.m., Thursday, December 15, 2016

California Polytechnic State University

San Luis Obispo

CAL POLY
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THIS IS THE START OF THE MANDATORY FIRST PRE-BID CONFERENCE. MAKE SURE YOU SIGN THE ATTENDANCE SHEET OR YOU WILL NOT BE ELIGIBLE TO BID.

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INTRODUCTIONS

Cal Poly Assoc. Director of Minor Projects:

- **Michael Brennan** mgbrenna@calpoly.edu

JOC Bid Coordinator:

- **Kristeen Eto de Gonzalez** keto@calpoly.edu

Cal Poly Strategic Business Services:

- **Tracee Barrier** barrier@calpoly.edu

Gordian Group:

- **Tyler Benson** t.benson@thegordiangroup.com

Contractors

Other Attendees

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GENERAL

(FPCP)

Information for Contractors Bidding (handout)

- JOC 16-040 (max $3 million)
- JOC 16-041 (max $3 million)
- JOC 16-042 (max $1 million)

Prequalification Requirements

- Must be prequalified with the Trustees; register and log in to “PlanetBids”
- http://www.calstate.edu/cpdc/cm/contractor_prequal_bidders.shtml
- Online application must be submitted and received at least 10 business days prior to the date for opening bids and be approved not less than one business day prior (CGC Article 2.02).
- Available prequalification rating 100% of maximum amount of the Job Order Contract
- Refer to CSU website for more information

GENERAL

(FPCP)

Supplementary Prequalification Requirements (Form 703.11-JOC)

- **JOC 16-040 and JOC 16-041** (max $3mill)
  - Five (5) public works projects in California performed concurrently and completed in past five (5) years, each minimum $200,000
  - Completed one (1) public works JOC in California in past five (5) years, actual amount of at least 80% of the max possible contract value and not less than $2 million
  - **DEADLINE TO SUBMIT PREQUALIFICATION FORM: December 20, 2016**
- **JOC 16-042** (max $1mill)
  - Five (5) projects in California performed concurrently and completed in past five (5) years, each minimum $200,000, at least one (1) for public agency
  - May not have a current Job Order Contract or intent to award a Job Order Contract with Cal Poly, San Luis Obispo
  - **DEADLINE TO SUBMIT PREQUALIFICATION FORM: February 2, 2017**
- Request form 703.11-JOC from Bid Coordinator (keto@calpoly.edu)
- Submit forms ASAP to the Prequalification Coordinator at the CSU Chancellor's Office
- Project specific Prequalification Letter

GENERAL

(FPCP)

Information regarding Certified Payroll and requirements for Prevailing Wage Rates

- Refer to Contract General Conditions Article 4.01 Laws to be Observed--Generally, Article 4.02 Laws to be Observed--Regarding Labor, Supplementary General Conditions & Special Conditions.
- This is a public works project, subject to prevailing wage rate laws.
- Public Works Contractor Registration
  - All contractors and all tiers of subcontractors bidding on this project shall register to bid public works projects with the DIR, and maintain current this registration pursuant to Labor Code Section 1725.5
  - http://www.dir.ca.gov/Public-Works/PublicWorks.html
- Contracting parties subject to examination and audit at any time during construction and for a period of 3 years after final payment, includes access to Contractor and subcontractor accounting records.

GENERAL

(FPCP)

Information regarding Certified Payroll and requirements for Prevailing Wage Rates (continued)

- Contractor shall monitor its subcontractors' compliance with the prevailing wage law.
- Contractor and subcontractors shall keep accurate payroll record in accordance with Division of Labor Standards Enforcement – upon written notice, Contractor file with requesting entity a certified copy of payroll records within 10 days; subject to penalties.
- Submit minimum 1st week's CPR for contractor and all subcontractors for each job order to the University.
- Submit CPR online with the DIR.
- Supplementary General Conditions, Item 19 – Department of Industrial Relations determinations
    - http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm

GENERAL

(SBS)

Insurance and Bond Requirements

- Bid Security – $25,000 (CGC Article 2.05.C)
- Payment & Performance Bonds – Equal to 100% of awarded contract price (CGC Article 3.03)
- Insurance – due 10 days after agreement is delivered to Contractor, including Haz Mat sub-contractor (CGC and SGC Article 4.06)

SB/DVBE Brief Overview

- CA Certified Small Business Advantage – 5% up to $50,000 max (CGC and SGC Article 2.10)
- Preference for Non-Small Businesses – For a non-small business to receive preference must commit to subcontracting at least 25% of the total aggregate dollar value of all Job Orders under the Contract to California Certified Small Business or Microbusiness.

GENERAL

(SBS)

SB/DVBE Brief Overview (continued)

- DVBE – Mandatory 3% participation for Disabled Veteran Business Enterprises (SGC Article 2.12 and CGC Article 5.05-E)
  - Required documentation: DVBE Compliance Form (DVBE-C), DVBE Transmittal Form, Summary of DVBE Participation (Attachment 1), Bidder's Certification (Attachment 2), DVBE Declaration STD 843
- DVBE Bid Incentive
  - SGC Article 2.12
  - Exceed 3% DVBE participation requirement

DVBE Participation	Incentive
3.00% to 3.99%	None
4.00% to 4.99%	1%
5.00% to 5.99%	2%
6% or more	3%

- https://caleprocure.ca.gov/pages/PublicSearch/supplier-search.aspx
- http://www.dgs.ca.gov/pd/Programs/OSDS/GetCertified.aspx

GENERAL

(FPCP)

Hazardous Materials: Mold

- Gordian Task Book, CSI Division 02 80 Facility Remediation, 02 85 Mold Remediation

Hazardous Materials: Asbestos/Lead

- Effective January 1, 2015, CSLB Classification C-22 – Asbestos Abatement Contractor

Emergency Changes

- Contract General Conditions 6.11 and 7.02

Professional Services

- Architecture and Engineering

Division One

Environmental Requirements

- Contract General Conditions 4.03

Construction Waste and Recycling

- Division One, Section 01505, Construction Waste Management
- Diversion Goals, Reporting, Sample Forms

SOME SPECIAL CONDITIONS (FPCP)

JOC 16-040 and JOC 16-041

- Minimum Value of the Contract - $50,000
- Maximum Value of the Contract - $3,000,000

JOC 16-042

- Minimum Value of the Contract - $25,000
- Maximum Value of the Contract - $1,000,000

Minimum Value of individual Job Orders - No minimum

Maximum Value of individual Job Orders – currently at $656,000

- SUAM definition of Minor Capital Outlay or less

Maximum Duration of the contract – 365 Calendar Days

Liquidated Damages – Contract General Conditions 8.02

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SOME SPECIAL CONDITIONS (FPCP)

Adjustment Factors

CAMPUS WORK (excluding Marine Science Education and Research Center (Pier))

- 1. Daytime 7:00 am to 5:30 pm Monday through Saturday **
- 2. Nighttime 5:31 pm to 6:59 am Monday through Saturday
- 3. Premium time Sunday and legal holidays

PIER WORK

- 4. Daytime 7:00 am to 5:30 pm Monday through Saturday
- 5. Nighttime 5:31 pm to 6:59 am Monday through Saturday
- 6. Premium time Sunday and legal holidays

**** The CAMPUS WORK <u>Daytime</u> factor SHALL be <u>equal to or lower than</u> all other adjustment factors.**

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SOME SPECIAL CONDITIONS (FPCP)

Adjustment Factors – IMPORTANT

- ✓ Review the CTC (Construction Task Catalog)
- ✓ Understand the CTC
- ✓ Know what to expect from your adjustment factor

EXAMPLE

(FPCP)

HANG TWO METAL FRAMES, HINGES & METAL DOOR

		Contractor Price	1.00*	0.85*	0.70*
Frame	08 12 13 13 0065	$296.70	$373.60	$317.56	$261.52
Door	08 13 13 13 0021	$320.35	$556.24	$472.80	$389.37
Hinges	08 71 16 00 0037	$62.57	$64.71	$55.00	$45.28
	Subtotal	$679.62	$994.55	$845.36	$696.17
	Labor 2.5 hrs	$126.85	incl.	incl.	incl.
	10% Overhead	$80.65	incl.	incl.	incl.
	Total	$887.12	$994.55	$845.36	$696.17

***Generally included in CTC prices:**

- **Labor – prevailing wage**
- **Equipment**
- **Materials**
- **Delivery**
- **Unloading**
- **Moving materials**
- **Home office (overhead)**
- **Insurance**
- **Bonds**
- **Project meetings**
- **Management**
- **Supervision**
- **Mobilization**
- **Project close out**
- **Project office, staff & equipment**
- **Tax**

Sect.	Item	Mod.	UOM	Description	Labor	Equipment	Material	Line Total
02 - Site Work								
02 41 19 16	0041		SF	Demo 6" Thick Reinforced Concrete Interior Partition/Wall	$4,344.24	$351.37	$0.00	$4,695.61
			Installation	Quantity 670.00 x Unit Price $8.82 x Factor 0.7946 = Total $4,695.61				
				Demo concrete at curb, bush hammer, u/g waste line				
02 41 19 16	0048		SF	Demo Wood Or Metal Framed Interior Partition/Wall With Drywall 2 Sides	$0.00	$0.00	$0.00	$0.00
			Installation	Quantity 0.00 x Unit Price $2.71 x Factor 0.7946 = Total $0.00				
02 41 19 16	0048	0029		For Heights > 14' To 20', Add	$390.94	$0.00	$0.00	$390.94
			Installation	Quantity 1,200.00 x Unit Price $0.41 x Factor 0.7946 = Total $390.94				
02 41 19 16	0049		SF	Demo Wood Or Metal Framed Interior Partition/Wall With Plaster And Lath 1 Side	$5,625.77	$57.21	$0.00	$5,682.98
			Installation	Quantity 2,400.00 x Unit Price $2.98 x Factor 0.7946 = Total $5,682.98				
				interior wall demo including selective wall demo				
02 82 00 00	0018		EA	Glove Bag For First 3 LF Pipe Insulation, Asbestos Abatement And Disposal	$442.51	$14.60	$0.00	$457.12
			Installation	Quantity 1.00 x Unit Price $575.28 x Factor 0.7946 = Total $457.12				
~~02 83 19 13~~	0103		SF	~~Metal Siding, Demolition Of Lead Contaminated Material~~	$0.00	$0.00	$0.00	$0.00
			Installation	Quantity 0.00 x Unit Price $1.23 x Factor 0.7946 = Total $0.00				
~~02 83 19 13~~	0109		SF	Windows, Demolition Of Lead Contaminated Material	$0.00	$0.00	$0.00	$0.00
			Installation	Quantity 0.00 x Unit Price $11.08 x Factor 0.7946 = Total $0.00				
~~02 83 19 13~~	0114		SF	Ceramic Tile, Walls Or Floor, Demolition Of Lead Contaminated Material	$0.00	$0.00	$0.00	$0.00
			Installation	Quantity 0.00 x Unit Price $2.70 x Factor 0.7946 = Total $0.00				
Subtotal for 02 - Site Work:								**$11,722.79**
03 - Concrete								
03 11 13 00	0087		LF	3/4" Wide Chamfer Strips for Concrete Formwork, All Materials	$69.13	$0.48	$7.63	$77.24
			Installation	Quantity 60.00 x Unit Price $1.62 x Factor 0.7946 = Total $77.24				
03 21 11 00	0002		TON	Grade 40 Reinforcing Steel, Footings And Slabs, #3-#6	$1,084.76	$4.97	$692.03	$1,781.76
			Installation	Quantity 1.00 x Unit Price $2,242.34 x Factor 0.7946 = Total $1,781.76				

TYPES OF PROJECTS THAT HAVE BEEN DONE IN THE PAST (FPCP)

Seal cracks in parking structure

Painting projects

Removal of walls

Install new door in existing walls

Roof repairs

Electrical work

Concrete work

Lead and asbestos work in almost everything

HVAC work

Complete renovation of classrooms and lab spaces

BUILDING INSPECTION (FPCP)

Minimum (24) hours notice

University Inspectors for Facilities

- **Mike Hogan**
  805.756.7227 Office
  805.471.3732 Cell
  805.756.7566 Fax
  mhogan@calpoly.edu

- **Andy Barker**
  805.756.6529 Office
  805.458.7953 Cell
  805.756.7566 Fax
  abarker@calpoly.edu

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JOB ORDER CONTRACTING

BID NO. JOC 16-040
BID NO. JOC 16-041
BID NO. JOC 16-042

FOR FACILITIES - MINOR CAPITAL OUTLAY PROJECTS

Pre-Bid Meeting: December 15, 2016 @ 10:30AM
Facilities Bldg. 70, Room 110, Cal Poly, San Luis Obispo

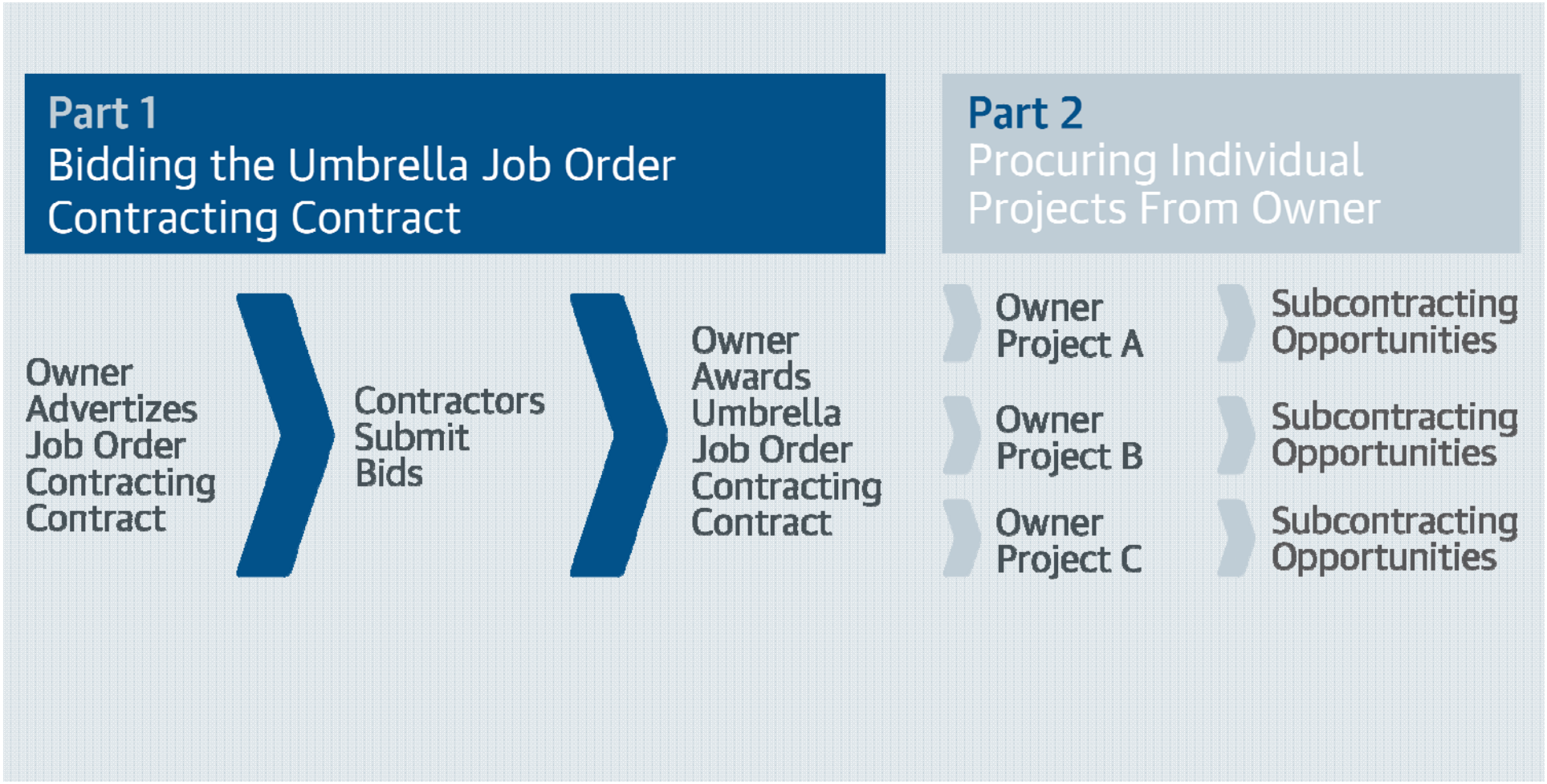
Pre-Bid Meeting Agenda

- JOC Overview
- JOC Contract Documents
- JOC Process
- Solicitation Details
- Understanding the Construction Task Catalog® (CTC)
- Calculating the Bid
- Contractor Adjustment Factors
- Bid Considerations & Review
- Risk of Low Adjustment Factors
- Review/Keypoints

JOC Overview

- A Job Order Contract Is a Firm, Fixed Priced, Competitively Bid, Indefinite Quantity Contract
  - JOC Is Designed to Accomplish Small-medium Size, Multi-trade, Minor Construction, Repair and Remodel Projects
  - JOC Is a Series of Individual Projects Issued As Job Orders Under the Base Contract
  - A Fundamentally Different Construction Procurement Relationship
    - Performance-Based Contract
    - Non-adversarial relationship between Owner & Contractor
- JOC Introduced in the United States in 1985
  - Dept. of Defense, USPS, NASA, etc.
- Implemented by states, counties, cities, universities, housing authorities, etc. since 1990
- Hundreds of contracts currently in use
- Over $1.4 Billion in construction placed annually through Gordian JOC systems

JOC is an Umbrella Contract



JOC Overview – Contractor Benefits

Why JOC Works for The Contractors

Good work is rewarded with more work

- Profit is a function of volume
- Volume is driven by performance
- JOC provides a steady flow of work
- Do not have to chase the next project

Long-term relationship with the CSU Cal Poly

- Develop partnership with the CSU Cal Poly

Reduced Risk

- Payment for every element of work performed
- Ability to provide input during scope development

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JOC Overview – Subcontractor Benefits

Why JOC Works for The Subcontractors

- Responsiveness requires local prime presence and use of multiple local subcontractors.
- Wide range of possible projects means variety of subcontractors will be needed to fulfill the contract.
- Simplified procurement process for the Cal Poly allowing them to procure more work in a shorter period of time. Results in greater number of subcontractor opportunities
- Multiple projects on multiple sites simultaneously.

JOC Overview

Why JOC Works for Cal Poly

A Fixed Priced, Fast Track Procurement Process

- Job Orders are Lump Sum
- The Ability to Accomplish a Substantial Number of Individual Projects with a Single Competitively Bid Contract
- On-Call Contractors Ready to Perform a Series of Projects at Different Locations for Competitively Bid Prices
- Contractor Has A Continuing Financial Incentive To Provide
  - Responsive Services
  - Accurate Proposals
  - Quality Work on Time
  - Timely Close Out
- Future Purchase Orders Tied to Contractor Performance
  - No Obligation To Award Specific Projects
  - CSU Cal Poly Can Use All Other Methods For Accomplishing Projects

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JOC Contract Documents

Front End Documents

Construction Task Catalog®

Technical Specifications

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JOC Contract Documents

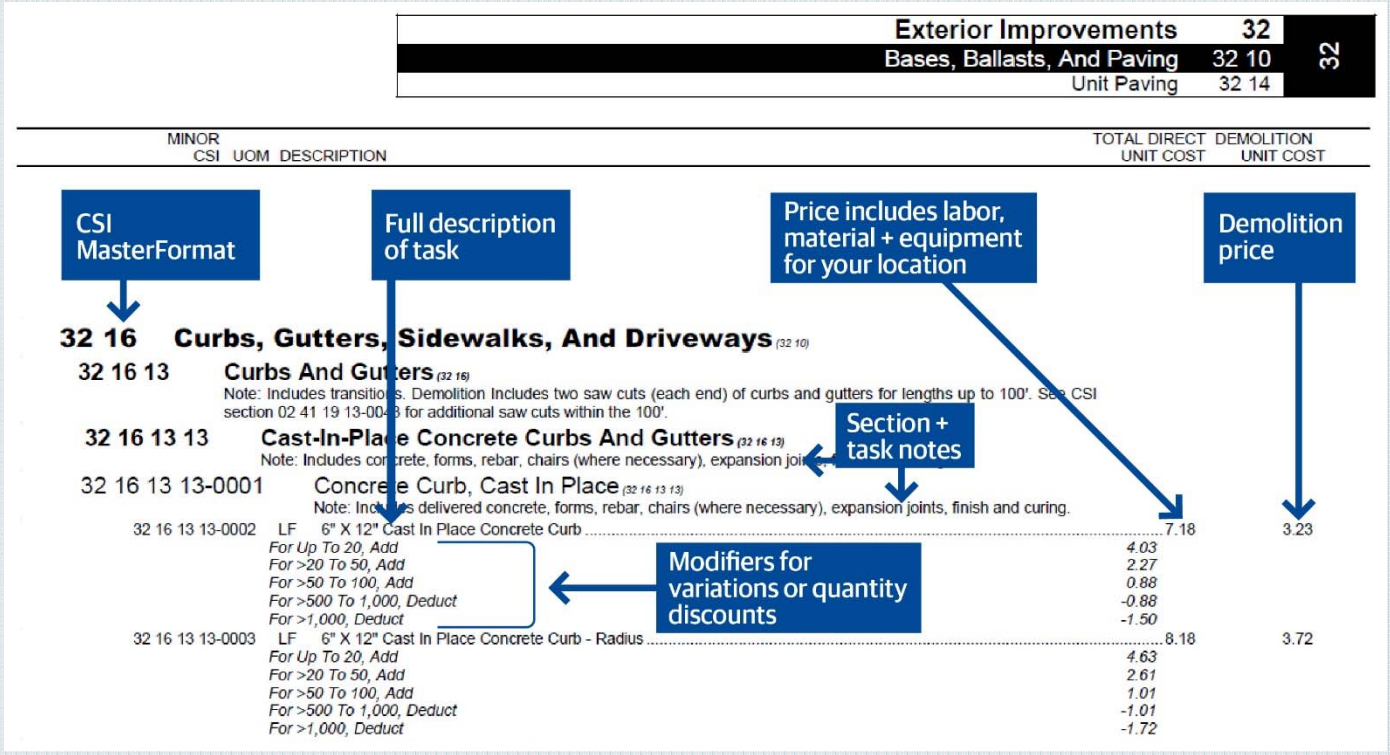
Construction Task Catalog® (CTC)

- Catalog of Pre-Priced Construction Tasks
- Organized by Construction Specifications Institute (CSI)
- Based on Local Labor, Material & Equipment Costs
- The tasks represent the “Scope of Work” for the contract

JOC Contract Documents

Construction Task Catalog® (CTC)

Typical Task:



JOC Process – How is JOC Bid?

Award Based on Competitive Bid

- **Must Bid 6 Adjustment Factors (AF)**
  - Campus Work (3 Adjustment Factors)
    - Daytime Working Hours: 7:00 am to 5:30 pm Monday to Saturday**
    - Nighttime Working Hours: 5:31 pm to 6:59 am Monday to Saturday
    - Premium Working Hours: Midnight to 11:59 pm Sundays and legal holidays
  - Pier Work (3 Adjustment Factors)
    - Daytime Working Hours: 7:00 am to 5:30 pm Monday to Saturday
    - Nighttime Working Hours: 5:31 pm to 6:59 am Monday to Saturday
    - Premium Working Hours: Midnight to 11:59 pm Sundays and legal holidays
- Adjustment Factors Apply to All Tasks in the CTC
- Each Adjustment Factor is Weighted to Create an Award Criteria Figure
- Lowest Award Criteria Figure From a Responsive, Responsible Bidder Wins!
- **NOTE: Campus Daytime Working Hours AF shall be equal to or lower than all other adjustment factors

Process - How is Work Done?

- Joint Scope Meeting With the Cal Poly, Contractor, and Others to define the Detailed Scope of Work
- The Cal Poly Issues Request for Proposal for the Agreed Upon Detailed Scope of Work
- Proposal Development
  - Typical Proposal Due Date will be 2 weeks from RFP
- Proposal Review
- Issuance of Job Order
- Total Time Goal: Average 3-5 weeks

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Solicitation Details

Prior to Bidding Cal Poly Cannot:

- Identify or Commit to any Specific Project or Location
- Identify or Commit to any Specific CTC Tasks or Quantities

Contract	Contract Type	Maximum Contract Duration (Years)	Minimum Contract Value	Maximum Not-to-Exceed Contract Value	Payment & Performance Bonding (Each)	Bid Security
JOC 16-040	General Construction, B	1	$50,000	$3,000,000	$3,000,000	$25,000
JOC 16-041	General Construction, B	1	$50,000	$3,000,000	$3,000,000	$25,000
JOC 16-042	General Construction, B	1	$25,000	$1,000,000	$1,000,000	$25,000

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

SBE 5% Bid Advantage (Review requirements in the General Conditions)

DVBE Bid Advantage (Review requirements in the General Conditions)

DVBE Participation Requirement of 3%

NOTE: Pre-Qualification and Supplemental Pre-Qualification due ten (10) days prior to bid openings.

NOTE: Contractors bidding on JOC 16-042 shall NOT have a current Job Order Contract or intent to accept bid for a Job Order Contract with the California Polytechnic State University, San Luis Obispo campus.

Solicitation Details

Internet Based Software Provided with Contract

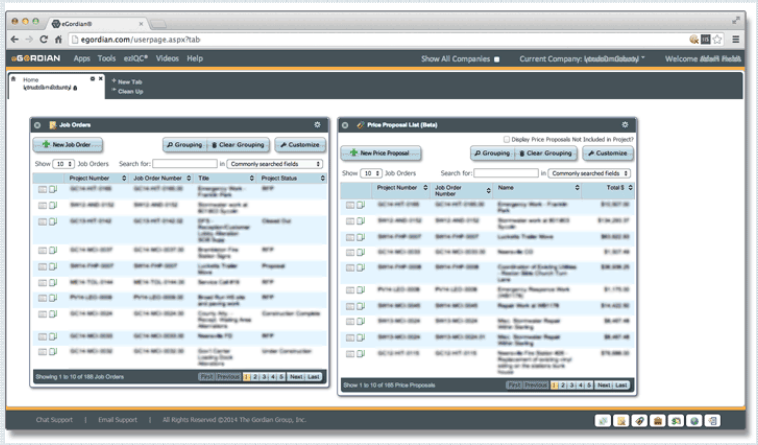
Access to eGordian®, Construction Task Catalog®, other proprietary materials

- Most advanced technology and data in the marketplace.
- Paperless
- Efficient
- Tasks and prices input directly… no fishing through old files and estimating books for costs

JOC process training

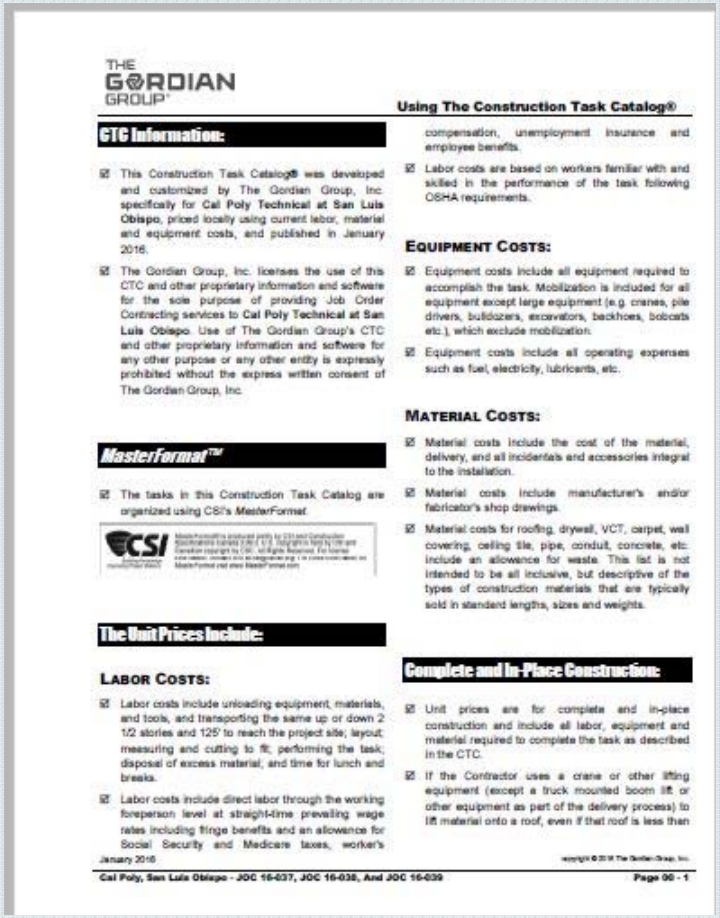
eGordian software training

24-hour support software support.



Understanding the Construction Task Catalog®

- 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 00-8 of the CTC
- The Unit Prices Include
  - Complete and In-place Construction
  - The Adjustment Factors Include: Overhead, Profit, Sub Costs, Taxes, Fringe Benefits, Financing, Business Risk
  - Construction Related Costs: Permit Services, Submittal Preparation, Incidental A&E, Vehicles, Temporary Utilities, Excess Waste,, Daily & Final Clean-up, Etc.



THE GORDIAN GROUP

Using The Construction Task Catalog®

CTC Information:

- This Construction Task Catalog® was developed and customized by The Gordian Group, Inc. specifically for **Cal Poly Technical at San Luis Obispo**, priced locally using current labor, material and equipment costs, and published in January 2016.
- The Gordian 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 **Cal Poly Technical at San Luis Obispo**. Use of The Gordian Group's CTC and other proprietary information and software for any other purpose or any other entity is expressly prohibited without the express written consent of The Gordian Group, Inc.

MasterFormat™

- The tasks in this Construction Task Catalog are organized using CSI's *MasterFormat*.

CSI

The Unit Prices Include:

Labor Costs:

- Labor costs include unloading equipment, materials, and tools, and transporting the same up or down 2 1/2 stories and 125' to reach the project site; layout; measuring and cutting to fit; performing the task; disposal of excess material; and time for lunch and breaks.
- Labor costs include direct labor through the working foreperson level at straight-time prevailing wage rates including fringe benefits and an allowance for Social Security and Medicare taxes, worker's compensation, unemployment insurance and employee benefits.
- Labor costs are based on workers familiar with and skilled in the performance of the task following OSHA requirements.

Equipment Costs:

- Equipment costs include all equipment required to accomplish the task. Mobilization is included for all equipment except large equipment (e.g. cranes, pile drivers, bulldozers, excavators, backhoes, bobcats etc.), which exclude 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 incidentals and accessories integral to the installation.
- Material costs include manufacturer's and/or fabricator's shop drawings.
- Material costs for roofing, 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.

Complete and In-Place Construction:

- Unit prices are for complete and in-place construction and include all labor, equipment and material required to complete the task as described in the CTC.
- If the Contractor uses a crane or other lifting equipment (except a truck mounted boom lift or other equipment as part of the delivery process) to lift material onto a roof, even if that roof is less than

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Understanding the Construction Task Catalog®

Include All Appropriate Tasks:

32 16 23 00-0002	4” Cast In Place Concrete Sidewalk	SF	$5.06	400	$2,024.00	
	For Quantities 100 to 500, Add	SF	$2.04	400	$816.00	
32 11 16 00-0015	4” Crushed Aggregate Base	SF	$0.63	400	$252.00	
	For Quantities Under 1000	SF	$0.18	400	$72.00	
01 71 13 00-0003	Mobilize Backhoe	EA	$402.63	1	$402.63	
31 23 16 36-0006	Excavation by Backhoe	CY	$3.75	11	$41.25	
	For Quantities Under 20 CY, Add	CY	$3.75	11	$41.25	
31 23 16 36-0028	Loading Excess Materials	CY	$3.42	13.75	$47.03	
	For Quantities Under 20 CY, Add	CY	$3.42	13.75	$47.03	
01 74 19 00-0029	Hauling to Dump Site	CYM	$0.51	207	$105.57	
01 74 19 00-0021	Landfill Dump Fee	CY	$15.14	13.75	$208.18	$4,056.93
						/400
						$10.14

Compare these prices

* Sample only

Non Pre-priced Tasks

Contractor must have permission from Cal Poly 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

Non Pre-Priced Adjustment Factor = Normal Working Hours Adjustment Factor multiplied by 1.1500.

Contractor is paid the amount in the following formula:

A = The unit price appearing in the Construction Task Catalog for each trade classification required multiplied by the quantity and multiplied by the appropriate Adjustment Factor identified and submitted in the Job Order Price Proposal as a pre-priced task.

B = The unit price appearing in the Construction Task Catalog for each piece of equipment required multiplied by the quantity and multiplied by the appropriate Adjustment Factor identified and submitted in the proposal as a pre-priced task.

C = The lowest of three independent quotes for all materials multiplied by the quantity and multiplied by the non pre-priced Adjustment Factor identified and submitted in the Job Order Price Proposal as a non pre-priced task.

Total cost for non pre-priced tasks performed with Contractor's own forces = A + B + C.

(Continued on the next slide)

Non Pre-priced Tasks Continued

Subcontractor Performed Duties

If the Work is to be subcontracted, the Contractor must submit three independent quotes for the Work from Subcontractors. The Contractor shall not submit a quote or bid from any supplier or subcontractor that the Contractor is not prepared to use. The University may require additional quotes and bids if the suppliers or subcontractors are not acceptable or if the prices are not reasonable. If three quotes or bids cannot be obtained, the Contractor will provide the reason in writing for the University's approval as to why three quotes cannot be submitted.

D = Subcontractor Costs (supported by three quotes)

Total Cost for non pre-priced tasks performed by subcontractor = D multiplied by the Non Pre-Priced Adjustment Factor.

Methods to Calculate Bid – Adjustment Factors

Recommended Method

Use Historical Project Data

- Select a Completed Project
  - You Know Scope and Direct Costs
- Price Project From CTC
- Add on Overhead and Profit
- Calculate the Adjustment Factor

Alternative Method

Create a Representative Project

- Create a Scope of Work
- Get Sub Quotes or Estimate Cost
- Price Project From CTC
- Add on Overhead and Profit
- Calculate the Adjustment Factor

Sample Project - Detailed Scope of Work

Dormitory Renovation

- Doors and Hardware
  - Replace 12 interior doors, hinges and hardware
  - Doors shall be 3x7, solid core wood doors
  - Grade 2 locksets with knobs
  - Replace 2 push bar exist devices and door closers on exit doors
- Interior Lighting
  - Replace all lay-in troffer fixtures on first and second floors. 48 in total
  - Replace 4 exit fixtures
  - Replace 12 industrial fixtures in shop area
- Plumbing Fixtures
  - Replace 8 bathroom sinks, 8 faucets, and 8 toilets in men's and women's bathroom in admin building and shop area
  - Replace 4 water fountains
- Replace Boiler
  - Demo existing boiler and as much piping and venting to accommodate new boiler. Install a new 1028 mbh oil fired cast iron boiler. Weil-McLain Model 88. No access for packaged boiler. Must field assemble sections. Provide new piping as required.
- Normal Working Hours Apply

Sample Project – CTC Price vs. Quotes

Direct Cost of Work from CTC

• Replace Boiler	$ 48,911.43
• Doors/Hardware	$ 9,748.46
• Lighting	$ 15,845.00
• Plumbing	$ 14,986.76
TOTAL =	$ 89,491.65

Direct Cost of Work from Quotes or Estimates

• Replace Boiler	$ 47,500.00
• Doors/Hardware	$ 9,250.00
• Lighting	$ 16,750.00
• Plumbing	$ 12,500.00
TOTAL =	$ 89,000.00

Sample Project – Putting It All Together

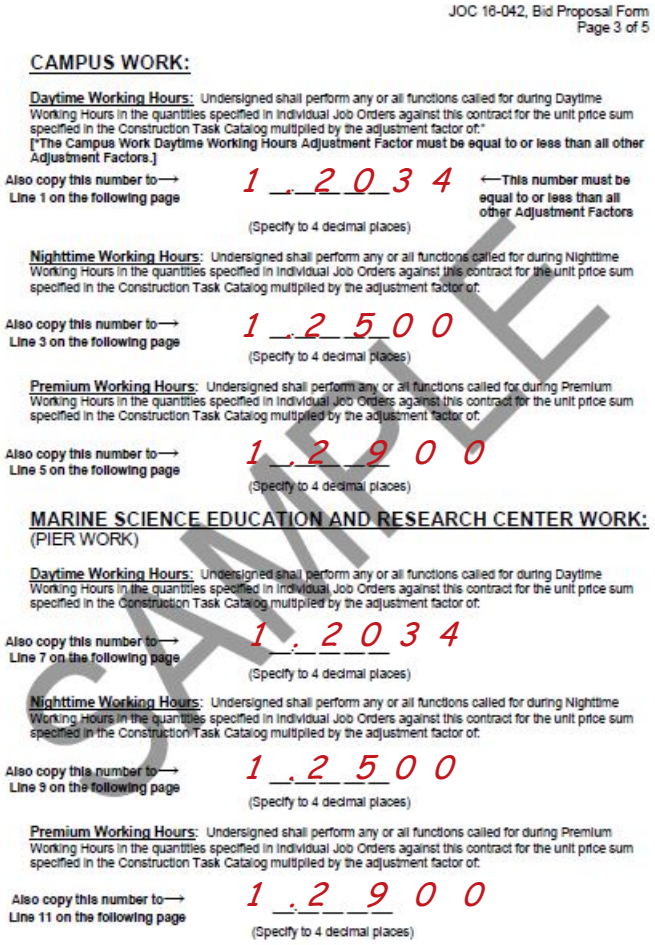
A.	Direct Cost of Work from Quotes	$89,000.00
B.	Overhead 10%*	$ 8,900.00
C.	Subtotal (Cost & O/H)	$97,900.00
D.	Profit 10%*	$ 9,790.00
E.	Subtotal (Cost & O/H & Profit)	$107,690.00
F.	Price From CTC	$89,491.65

Adjustment Factor (= E / F) = 1.2034

*Sample Only. Contractor to determine O/H & Profit.

Prepare this calculation for more than one sample project.

Filling Out the Bid Form



JOC 16-042, Bid Proposal Form
Page 3 of 5

CAMPUS WORK:

Daytime Working Hours: Undersigned shall perform any or all functions called for during Daytime 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 the adjustment factor of:"
["The Campus Work Daytime Working Hours Adjustment Factor must be equal to or less than all other Adjustment Factors.]

Also copy this number to⟶ Line 1 on the following page: 1.2034 ←This number must be equal to or less than all other Adjustment Factors

(Specify to 4 decimal places)

Nighttime Working Hours: Undersigned shall perform any or all functions called for during Nighttime 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 the adjustment factor of:

Also copy this number to⟶ Line 3 on the following page: 1.2500

(Specify to 4 decimal places)

Premium Working Hours: 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 the adjustment factor of:

Also copy this number to⟶ Line 5 on the following page: 1.2900

(Specify to 4 decimal places)

MARINE SCIENCE EDUCATION AND RESEARCH CENTER WORK:
(PIER WORK)

Daytime Working Hours: Undersigned shall perform any or all functions called for during Daytime 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 the adjustment factor of:

Also copy this number to⟶ Line 7 on the following page: 1.2034

(Specify to 4 decimal places)

Nighttime Working Hours: Undersigned shall perform any or all functions called for during Nighttime 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 the adjustment factor of:

Also copy this number to⟶ Line 9 on the following page: 1.2500

(Specify to 4 decimal places)

Premium Working Hours: 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 the adjustment factor of:

Also copy this number to⟶ Line 11 on the following page: 1.2900

(Specify to 4 decimal places)

SAMPLE

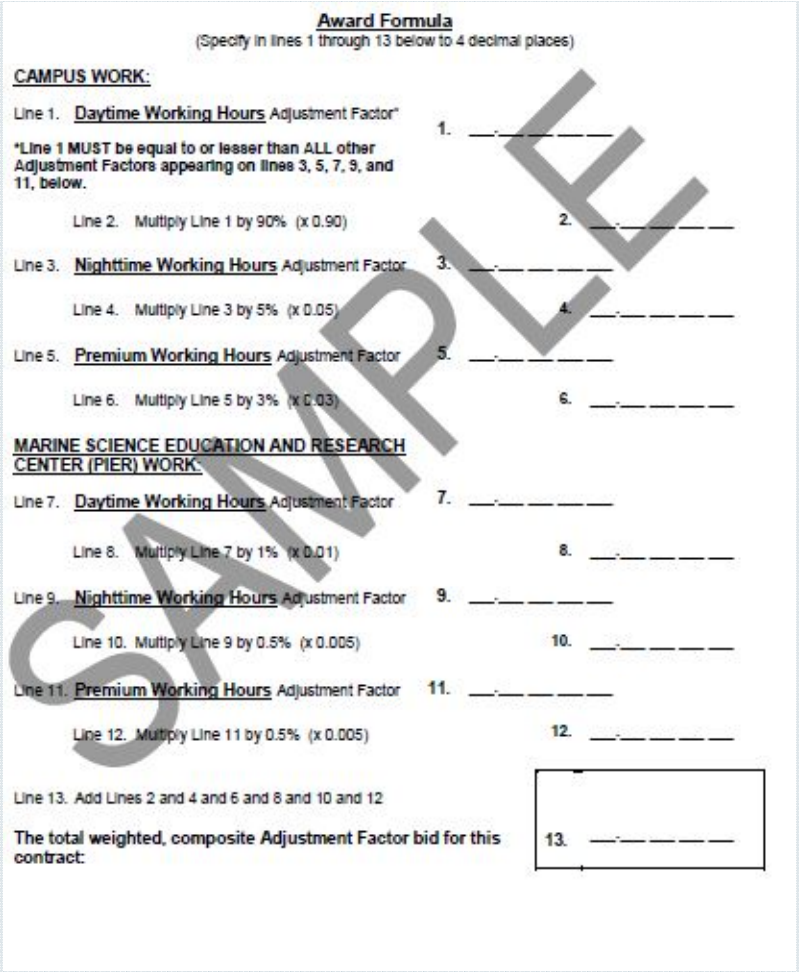
* Sample only

GORDIAN®

Filling Out the Bid Form

AWARD FORMULA

Line 1.	Daytime Campus Working Hours Adjustment Factor
Line 2.	Multiply Line 1 by (90) %
Line 3.	Night Time Campus Working Hours Adjustment Factor
Line 4.	Multiply Line 3 by (5) %
Line 5.	Premium Campus Working Hours Adjustment Factor
Line 6.	Multiply Line 5 by (3) %
Line 7.	Daytime Pier Working Hours Adjustment Factor
Line 8.	Multiply Line 7 by (1) %
Line 9.	Night Time Pier Working Hours Adjustment Factor
Line 10.	Multiply Line 9 by (.5) %
Line 11.	Premium Pier Working Hours Adjustment Factor
Line 12.	Multiply Line 11 by (.5) %
Line 13.	Add Lines 2, 4, 6, 8, 10, 12 (weighted, composite bid)



Award Formula
(Specify in lines 1 through 13 below to 4 decimal places)

CAMPUS WORK:

Line 1. **Daytime Working Hours** Adjustment Factor* 1. __.__ __ __ __

*Line 1 MUST be equal to or lesser than ALL other Adjustment Factors appearing on lines 3, 5, 7, 9, and 11, below.

Line 2. Multiply Line 1 by 90% (x 0.90) 2. __.__ __ __ __

Line 3. **Nighttime Working Hours** Adjustment Factor 3. __.__ __ __ __

Line 4. Multiply Line 3 by 5% (x 0.05) 4. __.__ __ __ __

Line 5. **Premium Working Hours** Adjustment Factor 5. __.__ __ __ __

Line 6. Multiply Line 5 by 3% (x 0.03) 6. __.__ __ __ __

MARINE SCIENCE EDUCATION AND RESEARCH CENTER (PIER) WORK:

Line 7. **Daytime Working Hours** Adjustment Factor 7. __.__ __ __ __

Line 8. Multiply Line 7 by 1% (x 0.01) 8. __.__ __ __ __

Line 9. **Nighttime Working Hours** Adjustment Factor 9. __.__ __ __ __

Line 10. Multiply Line 9 by 0.5% (x 0.005) 10. __.__ __ __ __

Line 11. **Premium Working Hours** Adjustment Factor 11. __.__ __ __ __

Line 12. Multiply Line 11 by 0.5% (x 0.005) 12. __.__ __ __ __

Line 13. Add Lines 2 and 4 and 6 and 8 and 10 and 12

The total weighted, composite Adjustment Factor bid for this contract: 13. __.__ __ __ __

SAMPLE

Bid Considerations

Contractors Should Expect To

- Prepare incidental drawings or sketches for some projects
  - Justify Quantity Calculations
  - Explain Detail of Work
- Prepare proposals for some projects that may be canceled
- Margins on CTC tasks vary
- Some projects are more profitable than others
- Maintain a fully functioning office
- Maintain a fully functioning staff
- Hold required licenses
- Meet participation goals

Contractor Adjustment Factors

Importance of Adjustment Factors

- Determines winning bidder AND
- Used to price individual Job Orders
- Price proposal total becomes the lump sum Job Order amount

UNIT PRICE	x	QUANTITY	x	ADJUSTMENT FACTOR	=	TOTAL FOR TASK
UNIT PRICE	x	QUANTITY	x	ADJUSTMENT FACTOR	=	TOTAL FOR TASK
UNIT PRICE	x	QUANTITY	x	ADJUSTMENT FACTOR	=	TOTAL FOR TASK
						TOTAL JOB ORDER PRICE

Risks of Low Adjustment Factor

Leads to Arguments in Proposal Review

- Unsupportable Tasks
- Exaggerated Quantities

Leads to Delays in Job 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 Margin

Review / Key Points

Focus on Total Potential Value of Contract

Evaluate Construction Task Catalog®

- Analyze Unit Prices
- Know the General Guidelines for Using the CTC

Contractor Performance Drives Volume

- Responsive Service
- Accurate Proposals
- Safe and Clean Project Sites
- High Quality Construction
- On-Time Completion
- On-Time Close Out

Bids

SEALED BIDS DUE:

JOC 16-040 & 16-041

Thursday, January 12, 2017

2:00 p.m., Facilities, Bldg. 70, Room 114

JOC 16-042

Thursday, February 16, 2017

2:00 p.m., Facilities, Bldg. 70, Room 114

Attn: Kristeen Eto de González

California Polytechnic State University

One Grand Avenue

San Luis Obispo, CA 93407-0690

NOTE: Pre-Qualification and Supplemental Pre-Qualification due ten (10) days prior to bid openings.

NOTE: Contractors bidding on JOC 16-042 shall NOT have a current Job Order Contract or intent to accept bid for a Job Order Contract with the California Polytechnic State University, San Luis Obispo campus.

IMPORTANT REMINDERS (FPCP)

Prequalification

- Deadline to submit online application on “PlanetBids” and submit forms to CSU Chancellor’s Office:
  - **Tuesday, December 20, 2016 (JOC 16-040 and JOC 16-041)**
  - **Thursday, February 2, 2017 (JOC 16-042)**

Obtaining Bid Proposal Packages

- Must submit written request specifying project number via fax or email along with copy of prequalification letter from the Chancellor’s Office

Asking Questions

- Deadline to ask questions **12:00 pm (noon)**
  - **Wednesday, December 21, 2016 (JOC 16-040 and JOC 16-041)**
  - **Friday, February 3, 2017 (JOC 16-042)**

IMPORTANT REMINDERS (FPCP)

Submitting a Bid Proposal Package

- Bid Deadline **BEFORE 2:00 pm**
  - **Thursday, January 12, 2017 (JOC 16-040 and JOC 16-041)**
  - **Thursday, February 16, 2017 (JOC 16-042)**

Bid Opening Location

- Bid proposals will be publicly opened and read starting at 2:00 pm on the Bid Deadline in Facilities, Building 70, Room 114

Updates posted on website

- http://www.afd.calpoly.edu/facilities/

Questions?

CAL POLY
SAN LUIS OBISPO

END OF MANDATORY PRE-BID CONFERENCE

CAL POLY
SAN LUIS OBISPO

JOB ORDER CONTRACT – JOC 16-040, JOC 16-041 AND JOC 16-042

FOR FACILITIES – MINOR CAPITAL OUTLAY PROJECTS

NON-MANDATORY PRE-BID CONFERENCE

CAL POLY
SAN LUIS OBISPO