BEST VALUE CONSTRUCTION CONTRACTS
• Welcome & Introduction
  George Silva, Chief Procurement Officer
  Yvette Merriman Garrett, Deputy Chief Procurement Officer

• Best Value Legislation
  Assemblymember Sebastian Ridley-Thomas

• Best Value Vision
  Mark Hovatter, Chief Facilities Executive

• Introduction to Best Value
  Hugh Tucker, Director of Contracts Administration

• Best Value Procurement Process & Prequalification Requirements
  Judith Reece, Facilities Contracts Administrator

Agenda
### 2016 Upcoming Best Value Projects

<table>
<thead>
<tr>
<th>School</th>
<th>Project(s)</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Olive Vista Middle School</td>
<td>Seismic, MPR, Kitchen, Gym</td>
<td>$20-30M</td>
</tr>
<tr>
<td>Loyola Village Elementary School</td>
<td>HVAC</td>
<td>$2-3M</td>
</tr>
<tr>
<td>Venice Elementary School</td>
<td>Seismic</td>
<td>$3-4M</td>
</tr>
<tr>
<td>Van Nuys Elementary School</td>
<td>HVAC</td>
<td>$5-6M</td>
</tr>
<tr>
<td>Maclay Middle School</td>
<td>HVAC</td>
<td>$2-3M</td>
</tr>
<tr>
<td>Griffith Middle School</td>
<td>HVAC</td>
<td>$2-3M</td>
</tr>
</tbody>
</table>
• Public Contract Code Section 20119
• Authorizes best value procurement process for bid evaluation and selection for construction projects that exceed $1 million
• Acquisition process will be conducted with full and open competition using an RFQ and Bid based on advertised criteria
• Evaluation process is very similar to 17406 procurement process with pricing being a significant difference
TWO TYPES OF BEST VALUE PROCUREMENTS

• Simple
  • $1-10 million
  • 45 day procurement timeline

• Complex
  • $10 million and greater
  • 98 day procurement timeline
Procurement Process

• Request for qualifications/bid will be comprised of the following categories and associated weighted points equal to 1,000 possible points

• Contractor Statement of Qualifications
  • Relevant Experience 300 points
  • Demonstrated Management Competency 300 points
  • Past Performance 250 points
  • Use of SBE 50 points
  • Local Worker Goals 40 points
Procurement Process

• Contractor Statement of Qualifications (continued)
  • We Build 10 points
  • Financial Condition 20 points
  • Safety Record 10 points
  • Labor Compliance 20 points
Procurement Process-Simple

- Simple Procurement $1-10M
  - Contractors scored and ranked by selection committee
  - Short-list to three
  - Short-listed contractors submit sealed bid price
  - Best value determined by:
    - Price (minus up to 5% if SBE)
    - Qualification Score
  - Contractors ranked
  - Lowest score is best value to the District
Procurement Process - Complex

• Complex Projects $10M and greater
  • Additional selection criteria for three short-listed contractors equal to a possible 1,000 additional points
    • Interview 400 points
    • Written Project Plan 400 points
    • Proposed Subcontractor Plan 200 points
  • Short-listed contractors scored and ranked
Complex Projects (continued)

- Contractors submit sealed bid price
- Best value is determined by

  Price (minus up to 5% if SBE)
  Qualification Score

- Lowest score is best value to the District
PROCUREMENT SCHEDULE

RFQ
Release of RFQ and Advertising  
Mandatory Pre-Bid Meeting  
Deadline to submit District Prequalification Questionnaire  
Last Day for Statement of Qualifications (“SOQ”) questions  
Statement of Qualifications DUE DATE  
Announcement of short-listed Bidders

D  
D + 2 Weeks  
D + 1 Week  
TBD  
D + 3 Weeks  
D + 4 Weeks
PROCUREMENT SCHEDULE - SIMPLE $1-10M

- **BID**
- Start of BID period for short-listed Bidders: D + 4 Weeks + 1 Day
- Mandatory site walk: D + 5 Weeks
- Deadline MEP subcontractors to submit Prequalification: D + 5 Weeks
- Last Day for Request for Clarification: D + 6 Weeks
- Issue FINAL Addenda by: D + 6 Weeks + 3 Days
- **PRICED BIDS DUE DATE**
- Issue Letter of Intent to Award to Selected Bidder: D + 7 Weeks + 3 Days
PROCUREMENT SCHEDULE - COMPLEX
$10M AND GREATER

• BID
  • Start of BID period for short-listed Bidders
    D + 4 Weeks + 1 Day
  • Mandatory Site Walk for short-listed Bidders
    D + 5 Weeks
  • Subcontractors’ Statement of Qualifications Due
    D + 7 Weeks
  • Mandatory Project Meeting for short-listed Bidders
    D + 8 Weeks
PROCUREMENT SCHEDULE - COMPLEX

- PROJECT PLAN DUE DATE: D + 10 Weeks
- Interviews: D + 11 Weeks
- Last Day for Request for Clarification Days: D + 11 Weeks + 4 Days
- Issue FINAL Addenda by: D + 13 Weeks
- Deadline for MEPs to submit District Prequalification Questionnaire: D + 12 Weeks
- PRICED BIDS DUE DATE: D + 14 Weeks
- Issue Letter of Intent to Award to Selected Bidder: TBD
• Contractor Statement of Qualifications

• 300 Criteria Points – General Contractor’s Relevant Experience
  • Experience, competency, capability, and capacity to complete projects of similar size, scope, and complexity
  • Provide information on three previous similar projects within the past five years
EVALUATION CRITERIA
SIMPLE AND COMPLEX

• LAUSD projects of similar size and complexity will be weighted most heavily
• Submitted projects will be verified and scored
EVALUATION CRITERIA
SIMPLE AND COMPLEX

• 300 Criteria Points – General Contractor’s Demonstrated Management Competency
  • Experience, competency, capability, and capacity of the proposed management team to complete projects of similar size, scope, and complexity
  • Provide three projects for each identified management category
    • Project Manager
    • Project Superintendent
    • QAQC
    • Safety
    • Lead Foreman
EVALUATION CRITERIA
SIMPLE AND COMPLEX

• 250 Criteria Points – General Contractor’s Past Performance
  • Past success at completing three selected construction projects within the past five years
    • Timeliness of performance/schedule
    • Punch list/project closeout
    • Change order administration
    • Project management expertise
EVALUATION CRITERIA  
SIMPLE AND COMPLEX

• District will use three most recent District projects with evaluations at $500K or more
• Three JOC at cumulatively $500K or more will count towards one evaluation
• If less than three District evaluations on file, contractor will provide outside references, which will be scored
EVALUATION CRITERIA
SIMPLE AND COMPLEX

• 50 Criteria Points – Use of SBE/DVBE
  • Past success at achieving 25 percent participation goal by certified SBEs, and three percent participation by DVBE, of the total contract amount
  • In addition to the SBE evaluation factors, the final bid price will include up to a five percent bid preference for prime contractors the District has certified as SBEs

• 40 Criteria Points – Local Worker Goals
  • Past success at achieving 50 percent local worker participation goal

• 10 Criteria Points – We Build
  • Number of We Build graduates utilized on past construction projects
EVALUATION CRITERIA
SIMPLE AND COMPLEX

• 10 Criteria Points – Safety Record
  • EMR 1.0
  • Recordable Injury Illness Rate & Days Away Restricted Transferred

• 20 Criteria Points – Financial Condition
  • Bonding capacity
  • Insurance

• 20 Criteria Points – Labor Compliance
  • Past conformance with prevailing wage requirements on public works projects
EVALUATION CRITERIA
COMPLEX

• Written Project Plan  400 points
  • Schedule management
  • Organizational chart
  • Site plan
  • Phasing plan
  • Quality control (QC) /Mock-ups or other QC methods
  • Safety- including trenching, scaffolding and cranes
  • Separation of work from students and public
EVALUATION CRITERIA
COMPLEX

• Interview
  • Proposed schedule
  • Site logistics
  • Project Planning (phasing)
  • Challenges and solutions to the challenges
  • School or neighborhood issues other than site logistics
  • Innovative methods or processes including QC & safety

400 points
**EVALUATION CRITERIA COMPLEX**

- **Proposed Subcontractors**
  - Three subcontractors will be submitted for each major trade identified in RFQ
  - Subcontractors will be scored
  - Lowest subcontractor score for each trade will be used
  - Contractor must use one of the three proposed subcontractors
  - MEP subcontractors must be prequalified
  - All listed subcontractors must be safety prequalified for projects advertised from August 31

- **200 points**
• Purchase Price Bid: The best value contractor is determined by dividing each bidder’s price by its qualification score

• The lowest resulting cost per quality point will represent the best value bid

\[
\text{Price (minus up to 5% if SBE)} \div \text{Qualification Score}
\]

• NOTE: In order to obtain up to 5% preference applied to the price of the bid, bidder must submit a copy of their current and valid SBE Certification to the District with the RFQ documents
AWARD PROCESS

• Short-listed firms will submit sealed bids on date and time identified by District
• Bids will not be opened publicly
• Best Value scores, prices, and rankings will be published
• Contract Documents, and General Conditions are the same as currently used for Formal contracts
• MEP first tier subcontractors must be prequalified with the District
• All other listed subcontractors must be safety prequalified with the District for projects advertised as of August 31, 2016
• Optional Prequalification review process meeting will be held June 24th.
CONTRACTOR RESOURCES

- Prevailing Wage / Labor Compliance Program (LCP)  [http://www.laschools.org/new-site/labor-compliance/](http://www.laschools.org/new-site/labor-compliance/)
- Owner Controlled Insurance Program (OCIP)  

  [http://www.laschools.org/fcs/cc/pq/file-storage/?folder_id=1045824](http://www.laschools.org/fcs/cc/pq/file-storage/?folder_id=1045824)
- Construction Contracts Best Value Requests for Qualifications  

Any questions???