Jackson HEALTH SYSTEM PUBLIC HEALTH TRUST

Memorandum

To: **Gary Hartfield, Director**
Small Business Development Division

From: **John G. Ellis III, Senior Procurement Contracting Officer**
Procurement Management Department Jackson Health System

CC: Laurie Johnson, David Clark, Kenneth Robertson

Date: July 11, 2016

Re: ITB 16-14204-JE – Job Order Contracts (JOC) GC-01, GC-02, GC-03, EC-04, EC-05, EC-06, MC-07, MC-08, MC-09, RC-10, RC-11, and PC-12

Background:

The Trust is in the process of issuing a solicitation for Job Order Contracts (JOC) to qualified general, electrical, mechanical, roofing, and painting contractors to provide various construction-related services. The majority of the work will be performed at Jackson Main, South and North campuses. The majority scope of work shall be to accomplish various small- to medium-sized projects. The typical work is anticipated to include, but not be limited to, projects such as: interior renovations/modifications of office space, lobbies, waiting areas, clinical spaces and patient care areas; interior and exterior painting services; window replacements and hardening; ADA compliant building and site modifications; roof replacements; electrical upgrades and modifications; emergency generator replacements; mechanical and plumbing upgrades; chiller and cooling tower replacements; AHU and other miscellaneous HVAC equipment replacements; exterior lighting upgrades; parking lot resurfacing; parking garage repairs; etc. The estimated annual capacity of these contracts is $20M/year.

Minimum Qualifications and Requirements:

The Trust's solicitation identifies individual contract identifiers for three (3) General Contractor (GC) opportunities, three (3) Electrical Contractor (EC) opportunities, three (3) Mechanical Contractor (MC) opportunities, two (2) Roofing Contractor (RC) opportunities, and one (1) Painting Contractor (PC) opportunity. Of these 12 opportunities, 8 are set-aside for SBE-CONS contractors. The Open Market GC contracts will require a minimum 30% SBE-CONS sub-contracting goal, which is an increase from the Trust's current 2013 JOC GC Contract's 25% SBE-CONS sub-contracting goal. All Level 1 and Level 2 SBE-CONS Contracts will require a 100% set-aside goal for sub-contracting work. If there are no SBE-CONS available for specialized sub-trade types of work on individual work orders, the contractors must work with Miami-Dade County Small Business Development Division for an exception. The specialty trade (electrical, mechanical, and roofing) Open Market contracts do not contain a SBE-CONS sub-contracting goal; however, the Trust strongly encourages the utilization of SBE-CONS contractors whenever possible.

For Contract Identifiers GC-01, GC-02, EC-04, EC-05, MC-07, and MC-08, Bidders shall provide evidence of experience working in a hospital environment and have a working knowledge of Infection Control precautions for active patient care areas (ICRA) and must provide evidence of successfully completed projects which had review and/or oversight by the State of Florida Agency for Health Care Administration (ACHA). (See attached)

For Contract Identifiers GC-03, EC-06, MC-09, RC-10, RC-11, and PC-12, Bidders shall also provide evidence of relevant experience, and must provide evidence of successfully completed projects as specified in the Invitation To Bid (ITB) documents. (See attached)

Regarding Responsible Wages, the following language is stated in Section 17 of the ITB (Page 45):

17) RESPONSIBLE WAGES AND BENEFITS ORDIANCE 90-143 (SEE APPENDIX 16)

In accordance with Ordinance 90-143, all Contractors who enter into this contract agree to pay all laborers and mechanics employed or working upon a Job Order the full amount of wages and fringe benefits (or Cash Equivalent thereof) computed at rates not less than those contained in the Miami-Dade County Responsible Wages and Benefits **published and <u>in effect at the time each respective Job Order is issued</u> to the Contractor** (see Responsible Wages and Benefits section of ITB Documents for wage rates and benefits in effect at the time of the ITB), regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination (i.e., building construction or highway) for the classification of work actually performed without regard to skill. In the event of an underpayment of the required wage rates, the contractor shall be liable to the underpaid employee for the amount of such underpayment. Underpayment by a contractor or subcontractor of the stipulated wages constitutes a wage violation pursuant to Ordinance 90-143. **Note that all Job Orders will require payment of Miami Dade County Responsible Wages.**

The Contractor agrees to submit all payroll records or other documentation, as the Trust requests, to allow the Trust or Miami-Dade County representatives to monitor compliance with this requirement.

<u>NOTE:</u> Awarded JOC Contractors initially will be required to pay Miami-Dade County (MDC) 2016 Responsible Wages for all wages and benefits. All bidders, however, when developing their adjustment factors/bids should take into consideration that, effective January 1, 2017, and on January 1 of each calendar year thereafter throughout the contract term, payment of all wages and benefits will be pursuant to MDC 2017 Responsible Wages and future MDC Responsible Wages Determinations effective in the calendar year in which the work is performed. MDC 2016 Responsible Wages are located at: <u>www.miamidade.gov/smallbusiness/responsible-wages-and-benefits.asp</u>

Please reference the following language regarding MDC Responsible Wages requirements:

Wages and benefits listed in the Wages and Benefits Schedule, previously revised every calendar quarter, will be reviewed and increased, if appropriate, once a year, on January 1st. **The rates for wages and benefits to be paid for work performed under this contract and during each subsequent calendar year will be the rate in effect on January 1st of the year in which the work is performed.**

Regarding the Community Workforce Program, the following language is stated in Section 17 of the ITB (Page 46)

COMMUNITY WORKFORCE PROGRAM

The Community Workforce Program (CWP) was established and approved by the Miami Dade Board of County Commissioners to provide job opportunities to local residents of traditionally underserved and underdeveloped neighborhoods. To achieve the objective of the program, all Capital Construction Projects and Work Orders are subject to the inclusion of a workforce goal. This goal is established by the County Department of Small Business Development (SBD) and is a percentage of the labor force that a County awarded contractor/subcontractor must hire from within the Designated Target Area (DTA) in which the construction project/work order is located, or from another DTA within Miami Dade County, in accordance with the governing ordinance 03-237. The workforce goal may be applied to job orders equal to or greater than $250,000, with estimated construction duration equal to or greater than 30 Days, and located in a DTA. For job orders subject to the CWP, the Contractor shall aspire to meet the goal that 10% of their labor force is from the DTA in which the public improvement is located, or from another DTA within Miami Dade County.

Additional information regarding the Community Workforce Program may be obtained from the Miami Dade County Website at:
www.miamidade.gov/small business/community-workforce-program.asp

Contract Summary Table:

A summary of the JOC contract identifiers and SBE-CONS requirements is provided on the following page:

GENERAL CONSTRUCTION GC-01: (Hospital Experience Required)	
Open Market, 30% SBE-CONS Subcontracting Goal; 15% if SBE-CONS is Prime	
Annual Contract Capacity:	$4,000,000 (per each)
SBE-CONS Minimum Participation:	$1,200,000 (per each)
GENERAL CONSTRUCTION GC-02: (Hospital Experience Required)	
Level 2 SBE-CONS Set-Aside (100% overall)	
Annual Contract Capacity:	$3,000,000 (per each)
SBE-CONS Minimum Participation:	$3,000,000 (per each)
GENERAL CONSTRUCTION GC-03: (No Hospital Experience Required)	
Level 1 SBE-CONS Set-Aside (100% overall)	
Annual Contract Capacity:	$2,000,000 (per each)
SBE-CONS Minimum Participation:	$2,000,000 (per each)
ELECTRICAL CONSTRUCTION EC-04: (Hospital Experience Required)	
Open Market, SBE-CONS subcontracting participation encouraged	
Annual Contract Capacity:	$2,000,000 (per each)
Open Market, SBE-CONS participation encouraged	$0 (per each)
ELECTRICAL CONSTRUCTION EC-05: (Hospital Experience Required)	
Level 2 SBE-CONS Set-Aside (100% overall)	
Annual Contract Capacity:	$1,000,000 (per each)
SBE-CONS Minimum Participation:	$1,000,000 (per each)
ELECTRICAL CONSTRUCTION EC-06: (No Hospital Experience Required)	
Level 1 SBE-CONS Set-Aside (100% overall)	
Annual Contract Capacity:	$1,000,000 (per each)
SBE-CONS Minimum Participation:	$1,000,000 (per each)
MECHANICAL CONSTRUCTION MC-07: (Hospital Experience Required)	
Open Market, SBE-CONS participation encouraged	
Annual Contract Capacity:	$2,000,000 (per each)
SBE-CONS Minimum Participation:	$0 (per each)
MECHANICAL CONSTRUCTION MC-08: (Hospital Experience Required)	
Level 2 SBE-CONS Set-Aside (100% overall)	
Annual Contract Capacity:	$1,000,000 (per each)
SBE-CONS Minimum Participation:	$1,000,000 (per each)
MECHANICAL CONSTRUCTION MC-09: (No Hospital Experience Required)	
Level 1 SBE-CONS Set-Aside (100% overall)	
Annual Contract Capacity:	$1,000,000 (per each)
SBE-CONS Minimum Participation:	$1,000,000 (per each)

ROOFING CONSTRUCTION RC-10: (No Hospital Experience Required)		
Open Market, SBE-CONS subcontracting participation encouraged		
Annual Contract Capacity:	$1,000,000	(per each)
SBE-CONS Minimum Participation:	$0	(per each)
ROOFING CONSTRUCTION RC-11: (No Hospital Experience Required)		
Level 1 SBE-CONS Set-Aside (100% overall)		
Annual Contract Capacity:	$1,000,000	(per each)
SBE-CONS Minimum Participation:	$1,000,000:	(per each)
PAINTING CONSTRUCTION PC-12: (No Hospital Experience Required)		
Level 1 SBE-CONS Set-Aside (100% overall)		
Annual Contract Capacity:	$1,000,000	(per each)
SBE-CONS Minimum Participation:	$1,000,000	(per each)

Recommendation:

It is the Trust's recommendation that the Construction Review Committee (RC) approve the Small Business Enterprise - Construction (SBE-CONS) measures as specified for the above-referenced contracts.

If you have any questions regarding this matter, please contact my office at (305) 585-2243. Thank you.

Regards,

John G. Ellis III

Senior Procurement Contracting Officer – Construction Services
Jackson Health System

4. Contract Table

4.1. The following contracts are covered by this solicitation and are to be identified on all bid submission materials by the unique "Contract Identifier" indicated in Table 4.1 below.

Table 4.1

Contract Identifier	Contract Type	Market	Patient Care/ Clinical Area Experience Required	Minimum Guaranteed Contract Value	Estimated Annual Contract Volume	Maximum Contract Duration (Years)	Maximum Not-to-Exceed Contract Value	Payment & Performance Bonding (Each)
JOC-16-14204-JE / GC-01	General Construction	Open Market	Yes	$20,000	$4,000,000	5	$20,000,000	$2,000,000
JOC-16-14204-JE / GC-02	General Construction	SBE-CONS Level 2 Set-Aside	Yes	$20,000	$3,000,000	5	$15,000,000	$1,500,000
JOC-16-14204-JE / GC-03	General Construction	SBE-CONS Level 1 Set-Aside	No	$20,000	$2,000,000	5	$10,000,000	$1,000,000
JOC-16-14204-JE / EC-04	Electrical Construction	Open Market	Yes	$20,000	$2,000,000	5	$10,000,000	$1,000,000
JOC-16-14204-JE / EC-05	Electrical Construction	SBE-CONS Level 2 Set-Aside	Yes	$20,000	$1,000,000	5	$5,000,000	$500,000
JOC-16-14204-JE / EC-06	Electrical Construction	SBE-CONS Level 1 Set-Aside	No	$20,000	$1,000,000	5	$5,000,000	$500,000
JOC-16-14204-JE / MC-07	Mechanical Construction	Open Market	Yes	$20,000	$2,000,000	5	$10,000,000	$1,000,000
JOC-16-14204-JE / MC-08	Mechanical Construction	SBE-CONS Level 2 Set-Aside	Yes	$20,000	$1,000,000	5	$5,000,000	$500,000
JOC-16-14204-JE / MC-09	Mechanical Construction	SBE-CONS Level 1 Set-Aside	No	$20,000	$1,000,000	5	$5,000,000	$500,000
JOC-16-14204-JE / RC-10	Roofing Construction	Open Market	No	$20,000	$1,000,000	5	$5,000,000	$500,000
JOC-16-14204-JE / RC-11	Roofing Construction	SBE-CONS Level 1 Set-Aside	No	$20,000	$1,000,000	5	$5,000,000	$500,000
JOC-16-14204-JE / PC-12	Painting Construction	SBE-CONS Level 1 Set-Aside	No	$20,000	$1,000,000	5	$5,000,000	$500,000

4.2. This Invitation To Bid contains eight (8) contracts that are only for Bidders with a current and valid SBE-CONS certification under the Miami-Dade County Department of Business Development's SBE-CONS program. These contracts are identified in the table above as Contract Identifier JOC-16-14204-JE / GC-03, JOC-16-14204-JE / EC-06, JOC-16-14204-JE / MC-09, JOC-16-14204-JE / RC-11, and JOC-16-14204-JE / PC-12 for SBE-CONS Level 1 firms. Contract Identifier JOC-16-14204-JE / GC-02, JOC-16-14204-JE / EC-05, and JOC-16-14204-JE / MC-08, for SBE-CONS Level 2 firms.

4.3. SBE-CONS firms may bid on Open Market contracts JOC-16-14204-JE / GC-01, JOC-16-14204-JE / EC-04, and JOC-16-14204-JE / MC-07 provided they meet the minimum license requirement and have the required patient care and clinical area experience, as applicable. Similarly, SBE-CONS Level 1 firms may bid on Level 2 SBE-CONS contract identifiers. Note that Open Market Contract JOC-16-14204-JE / RC-10 does not require patient care or clinical area experience.

5. SBE-CONS Subcontracting Requirements

5.1. Contractors awarded general construction contracts under open market competition must subcontract minimum of 30% of the dollar value of the Contract to contractors that hold current (at the time of the subcontract) and valid SBE-CONS certifications under the Miami-Dade County Department of Small Business Development's SBE-CONS program. Actual SBE-CONS subcontractor participation on individual Job Orders may vary from the overall 30% requirement; however, failure to meet or exceed the 30% SBE-CONS subcontracting participation requirement during the Base Period or any Option Period thereafter on the cumulative dollar value of Job Orders issued under the Contract shall be considered a material breach of Contract, which shall result in no further Job Orders being issued to the Contractor, no execution of additional Option Periods and/or provide grounds for termination.

5.2. All SBE-CONS Level 1 and Level 2 Set-aside contracts require all Work (prime and sub-contractors) to be performed by certified SBE-CONS Contractors only (100% SBE-C Set-aside). If there are no SBE-CONS contractors available for specialized sub-trade types of work on individual work orders, the contractors must work with Miami-Dade County Small Business Development Division for an exception. Note that this provision applies to Contract Identifiers ending with GC-02, GC-03, EC-05, EC-06, MC-08, MC-09, RC-11, and PC-12.

5.3. Should a contract be awarded to a SBE-CONS Contractor under "Open Market" competition, and should any subcontract Work be required, at least 15% of the dollar value of the subcontracted Work shall be performed by other certified SBE-CONS Contractors.

5.4. The Trust encourages the "Open Market" Specialties/Trade Contractors (Electrical, Mechanical, Roofing, and Painting) to include, when possible, the utilization of certified SBE-CONS subcontractors in the execution of the Work. The Specialties/Trade Contractors are encouraged to assume a mentoring role with certified SBE-CONS subcontractors to facilitate their growth through the transfer of knowledge and providing opportunities to gain practical experience. Accordingly, the utilization of SBE-CONS subcontractors will be viewed favorably by the Trust as it continuously evaluates the performance of each Contractor and makes decisions regarding the distribution of Work and execution of contract Option Periods.

5.5. Both estimated and actual certified SBE-CONS subcontracting participation will be tracked on each and every Job Order.

6. Licensing Requirements

6.1. The following minimum licensing requirements apply to the Contracts covered under this solicitation as indicated in the table 7.1 below. Copies of the required minimum licenses issued by the State of Florida Construction Industry Licensing Board must be provided as attachments to the Contractor's Qualification Statement submitted with their bid (see Appendix 17). Both "certified" contractors who are licensed to perform state-wide or "registered" contractors who are licensed to perform in Miami-Dade County meeting the minimum licensing requirement as set forth in Table 7.1 below are eligible to bid. Failure to do so will result in the bid submittals being deemed non-responsive.

7. Patient Care Area Experience Requirements

7.1. Each Bidder for the Open Market and SBE-CONS Level 2 Set-Aside Contract Identifiers; JOC-16-14204-JE / GC-01, JOC-16-14204-JE / GC-02, JOC-16-14204-JE / EC-04, JOC-16-14204-JE / EC-05, JOC-16-14204-JE / MC-07, and JOC-16-14204-JE / MC-08 shall satisfy each of the patient care area experience requirements cited below. Failure to do so will result in the bid submittals being deemed non-responsible. Note that Contract Identifier JOC-16-14204-JE / RC-10 does not require patient care area experience. In order to be considered for award, Bidder must provide evidence of the following minimum requirements. See Table 7.1.

Bidder shall have a minimum of three **(3) years of experience** working in a hospital environment. Bidder shall also have a minimum of three **(3)** successfully completed projects requiring AHCA review and certification in the past seven **(7) years.** Bidder shall also have completed a minimum of at least three **(3)** projects that demonstrate knowledge and experience of **Class III ICRA** precautions in the past seven (7) years **or provide a sub-contracting plan with companies that have such ICRA experience to meet this requirement. Should Bidder not possess the noted hospital patient care area experience, Bidder must provide resumes of their proposed Key Personnel with their bid submittal that indicate they do have the required experience.**

7.2. Each Bidder for Contract Identifiers JOC-16-14204-JE / GC-03, JOC-16-14204-JE /EC-06, JOC-16-14204-JE /MC-09, JOC-16-14204-JE / RC-10, JOC-16-14204-JE / RC-11 and JOC-16-14204-JE / PC-12 shall have a minimum of three (3) years of experience. Bidder shall also have a minimum of three (3) successfully completed projects of similar scope in general construction (GC), electrical construction (EC), mechanical construction (MC), roofing construction (RC), and painting construction (PC) as appropriate to each contract identifier for which a Bidder has responded.

Table 7.1

Contract Identifier	Contract Type	Minimum License Requirement	Description	Patient Care Area and Project Experience Required
JOC-16-14204-JE / GC-01	General Construction	CG or RG	Unlimited General Contractor	Yes
JOC-16-14204-JE / GC-02	General Construction	CG or RG	Unlimited General Contractor	Yes
JOC-16-14204-JE / GC-03	General Construction	CG or RG	Unlimited General Contractor	No
JOC-16-14204-JE / EC-04	Electrical Construction	ER	Electrical Contractor	Yes
JOC-16-14204-JE / EC-05	Electrical Construction	ER	Electrical Contractor	Yes
JOC-16-14204-JE / EC-06	Electrical Construction	ER	Electrical Contractor	No
JOC-16-14204-JE / MC-07	Mechanical Construction	CA or RA and CM or RM	Unlimited Class A Air-Conditioning Contractor and Unlimited Mechanical Contractor	Yes
JOC-16-14204-JE / MC-08	Mechanical Construction	CA or RA and CM or RM	Unlimited Class A Air-Conditioning Contractor and Unlimited Mechanical Contractor	Yes
JOC-16-14204-JE / MC-09	Mechanical Construction	CA or RA and CM or RM	Unlimited Class A Air-Conditioning Contractor and Unlimited Mechanical Contractor	No
JOC-16-14204-JE / RC-10	Roofing Construction	CC or RC	Unlimited Roofing Contractor	No
JOC-16-14204-JE / RC-11	Roofing Construction	CC or RC	Unlimited Roofing Contractor	No
JOC-16-14204-JE / PC-12	Painting Construction	CG or RG or Miami-Dade County Contractor's Business License Building Specialties/Painting	Unlimited Painting Contractor	No