	Information Item Only
$\boxtimes$	Approval on Consent Agenda
	Conference (for discussion only)
	Conference
	Conference/Action
	Action
	Public Hearing

Division: Facilities Support Services

**Recommendation:** Approve Resolution No. 2768: Adopting Bidder Prequalification Process to prequalify contractors on an annual basis, but with flexibility to prequalify contractors on a project-by-project basis for projects requiring special expertise.

### Background/Rationale:

Beginning January 1, 2014, Public Contract Code section 20111.6 ("Statute") will require the District to conduct a prequalification process for general contractors, and mechanical, plumbing and electrical subcontractors, prior to those contractors and subcontractors bidding on District projects over \$1,000,000 that will utilize State funding. Prequalification requires contractors to meet certain criteria, designed to assess their experience, expertise and overall ability to carry out work with the District, prior to bidding. The Statute permits the District to conduct prequalification on a quarterly, annual or project-by-project basis. The Statute requires the District to adopt procedures, including a standardized proposal form and uniform rating system for evaluating applicants.

### Financial Considerations:

The prequalification process will create additional workload for staff. Annual, as opposed to quarterly or project-by-project, prequalification will most effectively utilize District resources.

Prequalification is not anticipated to impact bid prices.

### **Documents Attached:**

- 1. Resolution No. 2768: Adopting Bidding Prequalification Process
- 2. Prequalification Application
- 3. Uniform Rating Sheet

 Estimated Time of Presentation: N/A
 Submitted by: Teresa Cummings, Chief Accountability Officer Cathy Allen, Assistant Superintendent
 Approved by: Jonathan P. Raymond, Superintendent

#### SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

#### **RESOLUTION NO. 2768**

#### **RESOLUTION RE: ADOPTING BIDDER PREQUALIFICATION PROCESS**

**WHEREAS**, Public Contract Code section 20111.5 authorizes public school districts to require bidders for public works contracts to submit to a prequalification process;

WHEREAS, Public Contract Code section 20111.6 requires that bidders for construction contracts awarded after January 1, 2014, on certain public projects for which the Board of Education uses funds received pursuant to the Leroy F. Greene School Facilities Act of 1998 or any funds from any future state school bond for a public project that involves a projected expenditure of one million dollars (\$1,000,000) or more submit to a prequalification process; and

**WHEREAS**, to comply with Public Contract Code section 20111.6, the Board of Education must adopt procedures, including a standardized proposal form and uniform rating system for evaluating applicant contractors.

**NOW, THEREFORE, BE IT RESOLVED** by the Sacramento City Unified School District Board of Education as follows:

1. The foregoing recitals are adopted as true and correct;

2. For all public projects subject to Public Contract Code section 20111.6, no bids will be accepted and no contracts shall be awarded pursuant to Public Contract Code section 20111,

# Sacramento City Unified School District

**Prequalification Application** 

### **PREQUALIFICATION PROCEDURES**

Notice is hereby given by Sacramento City Unified School District ("District") that general contractors and mechanical, electrical and plumbing subcontractors planning to participate in bidding on District projects (each a "Project") in the twelve months following prequalification will be required to prequalify prior to bidding, and must adhere to the following procedures, submit the following documentation and information, and be found by the District to prequalify, as a condition of bidding. Prequalification application packages are available on the District's website at **[INSERT WEBSITE LINK HERE]** or at the District's main office.

No bid will be accepted from a contractor that has failed to comply with these requirements. If two or more bus Tijes Exhibities submit a bid on a project as a Joint Ventui Iipntui 0(a) 310(a) 33(m)-10(y) f\*ualife =

contractor

### **GENERAL INFORMATION**

- A. The bidder shall complete the enclosed Prequalification Application materials. If an explanation and/or additional sheets are required for any of the responses, please attach additional pages signed by the preparer and identify clearly to which questions the attached page refers.
- B. "You" or "Your" as used herein refers to the bidder's firm and any of its officers, directors, shareholders, parties, or principals.
- В.

### **PREQUALIFICATION APPLICATION**

(This page is subject to disclosure pursuant to the California Public Records Act)

### **CONTACT INFORMATION:**

Firm Name:(as it appears on license)	Check One:	<ul><li>Corporation</li><li>Partnership</li><li>Sole Prop.</li></ul>
Contact Person:		
Address:		
Phone: Fax:	Email:	
If firm is a sole proprietor or partnership:		
Owner(s) of Company		
Contractor's License Number(s):,		<u>,</u>

Contractors

### **Prequalification Questionnaire**

### PART I. GENERAL REQUIREMENTS FOR QUALIFICATION

### A. Licensing, Insurance and Financial Information.

- Contractor possesses a valid and current California contractor's license for the project or projects for which it intends to submit a bid.
   Yes No
- 2. Contractor has a liability insurance policy with a policy limit of at least:

*General Contractor*: \$3,000,000 per occurrence and \$5,000,000 aggregate.

*Mechanical, Electrical or Plumbing Subcontractors*: \$1,000,000 per occurrence and \$2,000,000 aggregate.

Yes No

Contractor has current workers' compensation insurance policy as required by the Labor Code or is legally self-insured pursuant to Labor Code section 3700, *et. seq.* Yes
 No
 contractor is exempt from this requirement,

No contractor is exempt from this requirement, because it has no employees

4. Have you attached your latest copy of a financial statement that has been reviewed or audited by a certified public accountant with accompanying notes and supplemental information?

Yes No

NOTE: A financial statement that is not either reviewed or audited is not acceptable. A letter verifying availability of a line of credit may also be attached; however, it will be considered as supplemental information only, and is not a substitute for the required financial statement.

5. Have you attached a notarized statement from an admitted surety insurer (approved by the California Department of Insurance) and authorized to issue bonds in the State of California, which states whether your current available bonding capacity is sufficient for the project for which you seek prequalification and provides a your total bonding capacity limits?<sup>1</sup>

Yes No

NOTE: Notarized statement must be from the surety company, not an agent or broker.

<sup>&</sup>lt;sup>1</sup> An additional notarized statement from the surety may be requested by District at the time of submission

B.

PART II.

1. Has there been any change in ownership of the firm at any time during the last three years?

Yes No

If "yes," explain on a separate signed page.

NOTE: A corporation whose shares are publicly traded is not required to answer this question.

2. Is the firm a subsidiary, parent, holding company or affiliate of another construction firm?

If "yes," explain on a separate signed page.

**NOTE:** Include information about other firms if one firm owns 50 percent or more of another, or if an o

If "yes," explain on a separate signed page, including the reason for the change.

4. Has any owner, partner or (for corporations) officer of your firm operated a construction firm under any other name in the last five years?Yes

# PART III. ORGANIZATIONAL PERFORMANCE AND COMPLIANCE WITH LAWS

### A. Financial History & Licensing

1. Is your firm currently the debtor in a bankruptcy case?

If "yes," please attach a copy of the bankruptcy petition, showing the case number, and the date on which the petition was filed.

Was your firm in bankruptcy at any time during the last five years? (This question refers only to a bankruptcy action that was not described in answer to question 7, above)
Yes No

If "yes," please attach a copy of the bankruptcy petition, showing the case number and the date on which the petition was filed, and a copy of the Bankruptcy Court's discharge order, or of any other document that ended the case, if no discharge order was issued.

Has any CSLB license held by your firm or its Responsible Managing Employee (RME) or Responsible Managing Officer (RMO) been suspended within the last five years?
 Yes No

If "yes," please explain on a separate signed sheet.

### **B. Disputes**

1. At any time in the last five years has your firm been assessed and paid liquidated damages after completion of a project under a construction contract with either a public or private owner?

Yes No
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If yes, explain on a separate signed page, identifying all such projects by owner, owner's address, the date of completion of the project, amount of liquidated damages assessed and all other information necessary to fully explain the assessment of liquidated damages.

2. In the last five years has your firm, or any firm with which any of your company's owners, officers or partners was associated, been debarred, disqualified, removed or otherwise prevented from bidding on, or completing, any government agency or public works project for any reason?

Yes No

If "yes," explain on a separate signed page. State whether the firm involved was the firm applying for prequalification here or another firm. Identify by name of the company, the name of the person within your firm who was associated with that company, the year of the event, the owner of the project, the project and the basis for the action.

## **NOTE:** "Associated with" refers to another construction firm in which an owner, partner or officer of your firm held a similar position.

In the last five years has your firm been denied an award of a public works contract based on a finding by a public agency that your company was not a responsible bidder?
 Yes No

If "yes," explain on a separate signed page. Identify the year of the event, the owner, the project and the basis for the finding by the public agency.

\* \* \* \* \*

The following two questions refer only to disputes between your firm and the owner of a project. You need not include information about disputes between your firm and a supplier, another contractor, or subcontractor. You need not include information about "pass-through" disputes in which the actual dispute is between a sub-contractor and a project owner. Also, you may omit reference to all disputes about amounts of less than \$50,000.

In the past five years has any claim <u>against</u> your firm concerning your firm's work on a construction project been <u>filed in court or arbitration</u>?
 Yes No

If "yes," on separate signed sheets of paper identify the claim(s) by providing the project name, date of the claim, name of the claimant, a brief description of the nature of the claim, the court in which the case was filed and a brief description of the status of the claim (pending or, if resolved, a brief description of the resolution).

5. In the past five years has your firm made any claim against a project owner concerning work on a project or payment for a contract and **filed that claim in court or arbitration**?

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If the answer is "Yes," for each such contract attach a separate sheet identifying the owner, your bonding company, the original contract value, the value of the work terminated and a brief explanation of the circumstances leading to the termination.

7. Has your firm ever e

1.

### NOTE: If you have filed an appeal of a citation and the Appeals Board has not yet ruled on your appeal, or if there is a court appeal pending, you need not include information about the citation.

- 4. How often do you require documented safety meetings to be held for construction employees and field supervisors during the course of a project?
- 5. List your firm's Experience Modification Rate (EMR) (California workers' compensation insurance) for each of the past three premium years:

# NOTE: An Experience Modification Rate is issued to your firm annually by your workers' compensation insurance carrier.

Current year: \_\_\_\_\_

Previous year:

Year prior to previous year:

If your EMR for any of these three years is or was 1.00 or higher you may, if you wish, attach a letter of explanation.

6. Within the last five years has there ever been a period when your firm had employees but was without workers' compensation insurance or state-approved self-insurance?
 Yes No

If "yes," please explain the reason for the absence of workers' compensation insurance on a separate signed page. If "No," please provide a statement by your current workers' compensation insurance carrier that verifies periods of workers' compensation insurance coverage for the last five years. (If your firm has been in the construction business for less than five years, provide a statement by your workers' compensation insurance carrier verifying continuous workers' compensation insurance coverage for the period that your firm has been in the construction business.)

### E. Prevailing Wage and Apprenticeship Compliance Record

1. Has there been more than one occasion during the last five years in which your firm was required to pay either back wages or penalties for your own firm's failure to comply with the **state's** prevailing wage laws?

NOTE: This question refers only to your own firm's violation of prevailing wage laws, not to violations of the prevailing wage laws by a subcontractor.

If "yes," attach a separate signed page or pages, describing the nature of each violation, identifying the name of the project, the date of its completion, the public agency for which it was constructed; the number of employees who were initially underpaid and the amount of back wages and penalties that you were required to pay.

2. During the last five years, has there been more than one occasion in which your own firm has been penalized or required to pay back wages for failure to comply with the **federal** Davis-Bacon prevailing wage requirements?

Yes	N	0
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If "yes," attach a separate signed page or pages describing the nature of the violation, identifying the name of the project, the date of its completion, the public agency for which it was constructed; the number of employees who were initially underpaid, the amount of back wages you were required to pay along with the amount of any penalty paid.

3. Provide the **name, address and telephone number** of the apprenticeship program sponsor(s) (approved by the California Apprenticeship Council) from whom you intend to request the dispatch of apprentices to your company for use on any public work project for which you are awarded a contract the District.

4. If your firm operates its own State-approved apprenticeship program:

(a) Identify the craft or crafts in which your firm provided apprenticeship training in the past year.uap.n he puawoh9asow0 1Jthe 1.42-0.004 Tc 0.0024(e 1.5 fi)-5.1(S a)-10(1 Tw 0-2(l apprendicted)))

5. At any time during the last five years, has your firm been found to have violated any provision of California apprenticeship laws or regulations, or the laws pertaining to use of apprentices on <u>public</u> works?

Yes No

If "yes," provide the date(s) of such findings, and attach copies of the Department's final decision(s).

### PART IV. RECENT CONSTRUCTION PROJECTS COMPLETED

Provide the information requested below for the six largest public works projects and three largest private works of improvement on which you have completed your scope of work in the last five years. "Largest" means highest contract dollar value, including change orders. (If you wish, you may, using the same format, also provide relevant information about other projects that you have completed.) Two of the six public works projects must be K-12 projects. Names and references must be current and verifiable. Provide email addresses for all references. If your largest public works projects are not K-

PART V.

### Sacramento City Unified School District Prequalification Scoring Sheet

Firm Name:		
Contact Person:		
Address:		
Phone:	Fax:	Email:
If firm is a sole proprietor or partne	rship:	
Owner(s) of Company		
Contractor's License Number(s):		·

The contractor's qualified limit will be the lesser of the following (stated in U.S. currency): (a) the largest public works contract the contractor

### PART I GENERAL REQUIREMENTS

### A. Licensing, Insurance & Financial Information

		Yes	No	Docs	Verified
				Attached	
1	Valid and Current Contractor's License				
2	Liability Insurance with Appropriate Limits General Contractor: \$3,000,000 & \$5,000,000 MEP Subcontractor: \$1,000,000 & \$2,000,000				
3	Current Worker's Comp Insurance or Exemption				
4	Reviewed or Audited Financial Statement			*	

Attached

### B. History of the Business and Organizational Performance

Check "Responses Included" box if information is included in application. If, based on the contractor's answers, follow up is necessary, indicate so by checking the "follow up" box.

		<b>Responses Included</b>	Follow Up
1	Change in ownership		
2	Subsidiary, parent, holding company, etc.		
3	Corporate officers/relationship to other firms		
4	Gross revenue		
5	Years in business		

### C. Licenses

Check "Responses Included" box if information is included in application. Items to be verified are identified with an asterisk.

		Responses Included	Verified
1	List all license numbers		
2	List qualifying individuals if partnership		
3	Change of name/license in last 5 years		
4	Owner operated under another name		

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# PART III ORGANIZATIONAL PERFORMANCE AND COMPLIANCE WITH LAWS

A. Financial History & Licensing

		None = 0	
5	Experience Modification	EMR .95 or less = $5$	
	Rate	.95 - 1 = 3	
		Other = 0	
6	Workers' comp lapse in last	No = 5	
	five years	Yes =0	

(Possible Score 30)

III.D Total Score

### E. Prevailing Wage and Apprenticeship Compliance Record

		Possible Scores	Score
1	Required to pay back wages	No = 5	
	under State prevailing wage	1 instance $= 4$	
	law	2  instances = 3	
		3+ instances = $0$	
2	Required to pay back wages	No = 5	
	under Federal prevailing	1 instance $= 4$	
	wage law	2  instances = 3	
		3+ instances = $0$	
3	Participation in	Information provided/yes = $5$	
	apprenticeship program	No = 0	
4	Operates apprenticeship		
	program		

### PART IV – RECENT CONSTRUCTION PROJECTS COMPLETED

Verify projects are awarded and completed. Based on information provided by contractor, list six projects below. Begin with information provided regarding K-12 projects, then other public works projects, then private projects.

Award 15 points for each K-12 project, 10 points for each other public project, 5 points for each private project.

	Project	K-12	Other Public	Private
1				
2				
3				
4				
5				
6				

IV Total Score

If Part IV Total Score is 65 or greater, move on to reference checks.