



Capital Contracting Office

**Job Order Contracting (JOC)
Program**



Capital Contracting Officer Opening Remarks

Rolando Fernandez





Agenda

- Capital Contracting Officer Opening Remarks (5 mins)
- Job Order Contracting Overview (30 mins)
- Wage Compliance Program (15 mins)
- Break (15 mins)
- Setting a Coefficient for Job Order Contracting (45 mins)
- Break (15 mins)
- Small & Minority Business Resources Department (40 mins)
- Wrap-up (5 mins)

Job Order Contracting Overview

Rick Wilson & Rick Selin

Current Program Overview

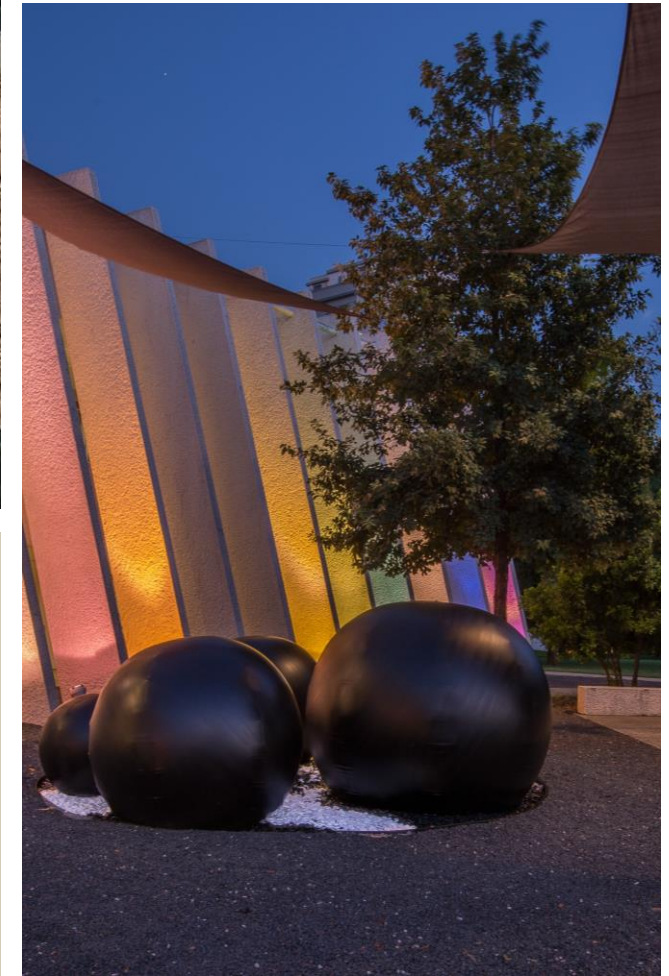
What is Job Order Contracting?

**It is a Fixed Price,
Competitive Sealed
Proposal, Indefinite Delivery
Indefinite Quantity Type
Contract.**



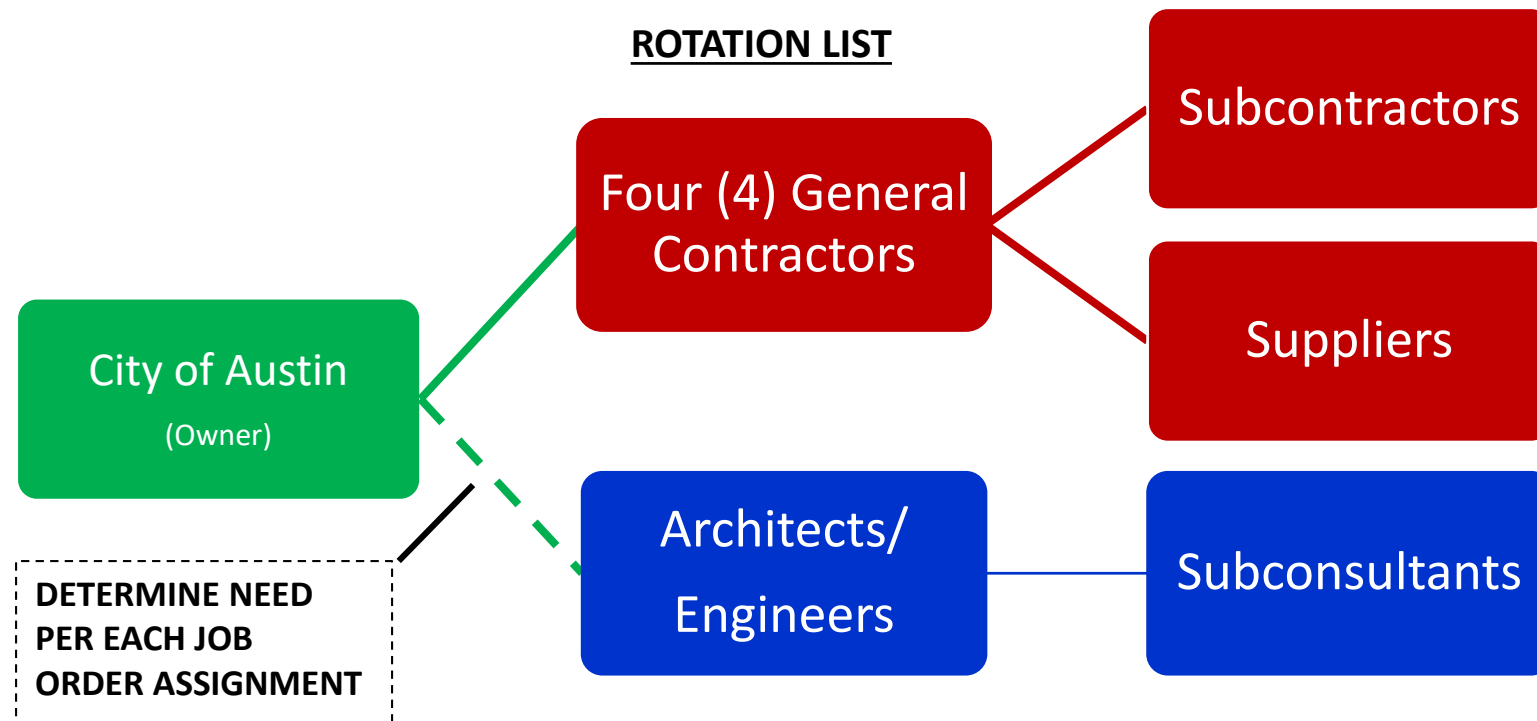
**It is governed by a period of time (term),
and established by a Unit Price Book
(UPB) with an adjustment factor
(coefficient).**

**It is designed to accomplish small
to medium, multi-trade,
maintenance, repair, renovation
and minor construction projects.**





JOC Structure



Job Order Assignment (JOA) anticipated amounts \$0–\$300k per assignment

City of Austin JOC Program History

(as of February 3, 2020)



2010 JOC Program **CLMB300**

Awarded: August 10, 2010

Closed: September 12, 2012

Total Authority: \$7,500,000

Total Encumbered: \$6,928,842.77

Contractors: 3

Job Orders Issued: 35



2013 JOC Program **CLMB312**

Awarded: December 6, 2012

Closed: January 25, 2019

Total Authority: \$24,000,000

Total Spent: \$15,789,601.78

Contractors: 3

Job Orders Issued: 69



2017 JOC Program **CLMB328**

Awarded: August 10, 2017

Total Authority: \$27,000,000

Total Spent: \$16,256,504.95

Contractors: 4

Job Orders Issued: 68

JOC Regulations

Texas Government Code (TGC) 2269, Subchapter I governs JOC Methodology

City Council approval required for all assignments over \$500,000

Design services not allowed to be contracted under JOC Methodology

- Professional Engineer required on design for MEP scope over \$8,000 and multi-trade scope over \$20,000
- Professional Engineer and Registered Architect required on scope over \$50,000



Allowable Uses:

- Work of recurring nature, but delivery times, type, and quantities of work are indefinite.
- Maintenance, repair, alteration, renovation, remediation, or minor construction of facilities.

Allowable Facilities:

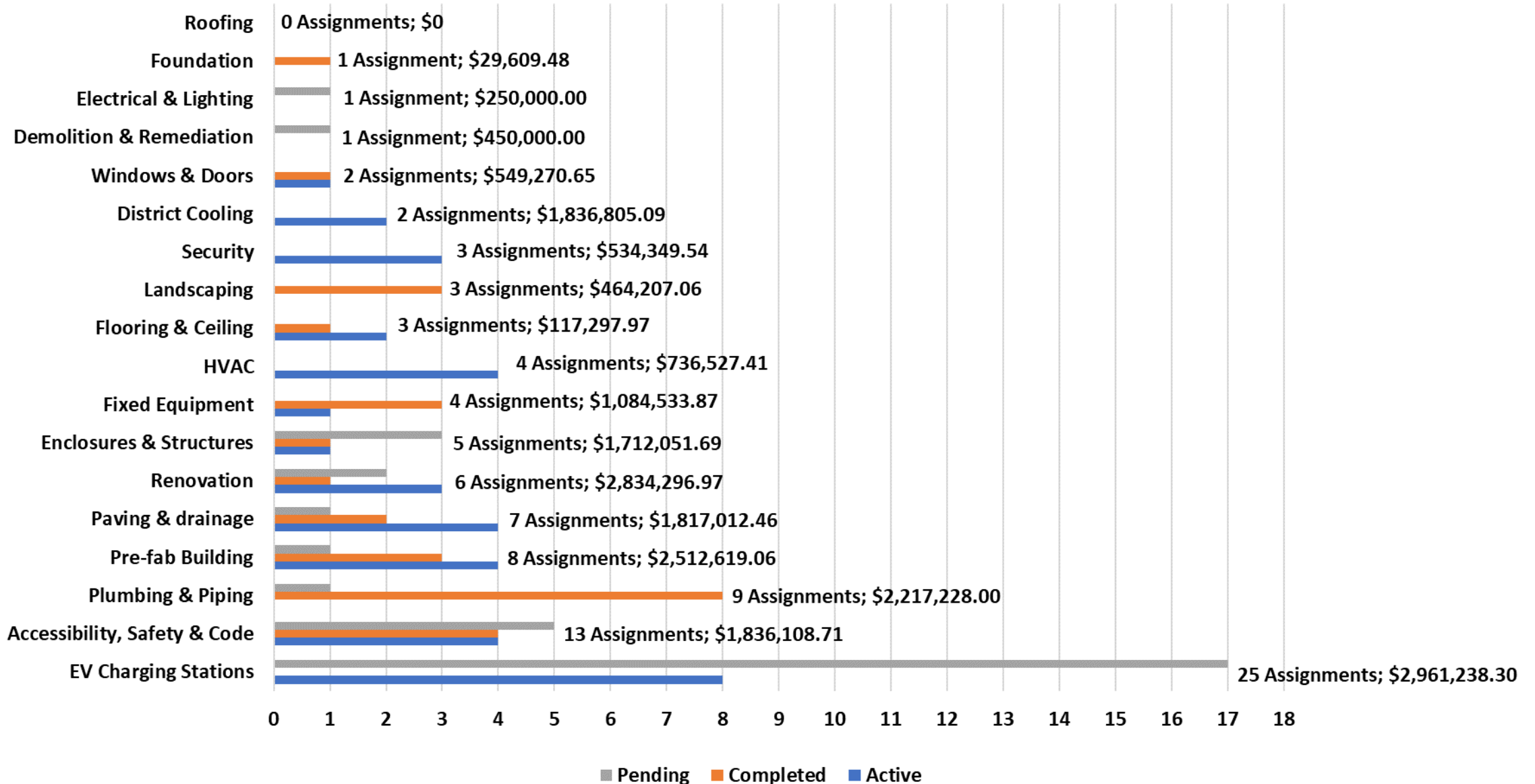
- Building that is governed by accepted building codes
- Structure or land (improved or unimproved) that is associated with a building

Disallowed Facilities:

- Highway, road, street, and bridge
- Utilities, water supply project, water plant, wastewater plant, water and wastewater distribution or conveyance facility
- Wharf and dock
- Airport runway or taxiway
- Drainage project
- Project related to civil engineering construction
- Building or structure that is incidental to a primarily civil engineering construction project

Current City of Austin JOC

By Primary Scope (as of February 3, 2020)

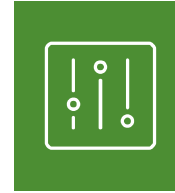


JOC Basics

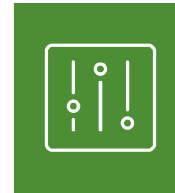
Solicitation Structure



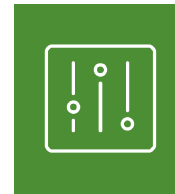
Remember, this is a construction contract.



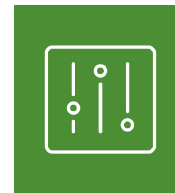
Competitive Sealed Proposal



Proposal Response



Master Agreement



Delivery Order (Job Order Agreement)



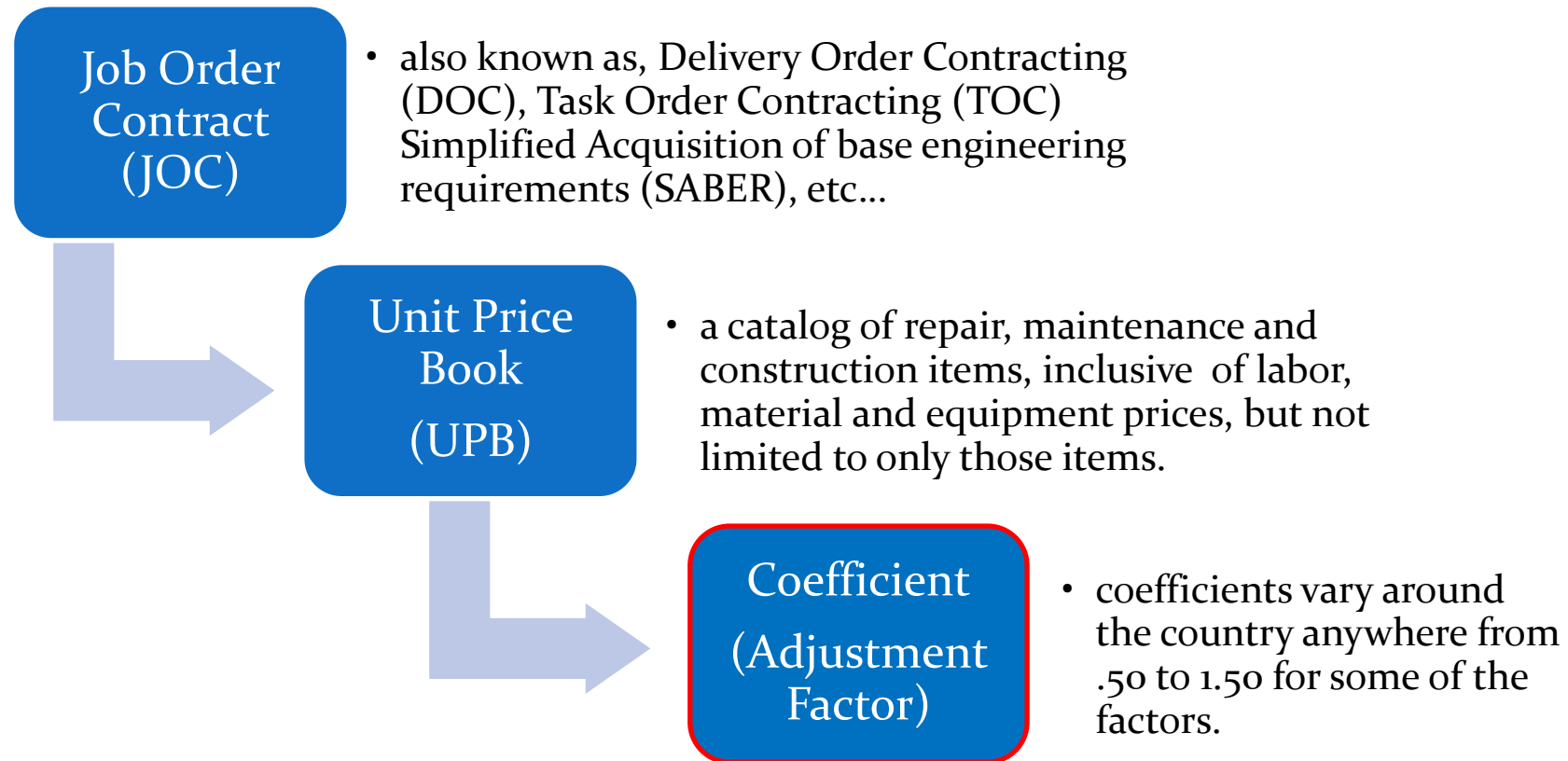
JOC Distinctions

Differences from IFB, RL, IDIQ

- Job Order (“assignment level contract”) not in place until assignment agreement is executed; issuance of an assignment only starts the proposal process
- No requirement to equitably distribute/rotate work amongst contractors (although a best effort is made)
- Unit Price Book (R.S. Means) is used to develop estimate pricing for assignments (not open market bidding)
- Negotiations to reduce project costs are focused on scope, not on price
- Line-item estimate is basis for a Fixed Price Lump Sum agreement (line-item estimate no longer of consequence after execution)
- Blanket Certificate of Insurance (COI) submitted annually and covers all assignments (assignment based insurance not required)



Job Order Contracting Parts





Coefficient -vs- Mark-Up

- Mark-Up** {
- the amount added to cost price of goods to cover overhead and profit.
- Coefficient** {
- a number used to multiply a variable – it contains overhead, profit and all items associated to general conditions/requirements of the construction contract



UPB & Estimating Software

The City of Austin utilizes R.S. Means Master Composite Costs Data as the basis for the UPB.

The City of Austin requires the use of e4Clicks Project Estimator for JOC assignment Proposals.

The complete UPB is comprised of:

- Left-hand Means (Bare Materials, Labor, and Equipment Costs) for Prime contractor work
- Right-hand Means (Total including Overhead & Profit) for Subcontractor work
- Austin Texas City Cost Index
- Approved Coefficients



Additional Resources for 4Clicks

4Clicks website

- <https://www.4clicks.com/>
- <https://www.4clicks.com/resources/videos/>

4ClicksSolutions Tutorials on YouTube

- 18 tutorials
- <https://www.youtube.com/playlist?list=PLCiY9-bygonf6o63Uxg86trx-fMQLZUTP>

4ClicksSolutions YouTube page

- Look for RSMMeans, eTakeoff, and 4Clicks webinars
- <https://www.youtube.com/user/4ClicksSolutions/videos>

Expectations of a “Successful” JOC Contractor



Personnel/Staff

- Experience
- Manage multiple projects at multiple locations simultaneously
- Deliver high quality work in a timely manner
- Manage a large number of subcontractors
- Responsive with a “can do” attitude



Subcontractor Engagement

- Total support of the MBE/WBE program
- Good Faith Effort to meet/exceed MBE/WBE goals on each assignment
- Sponsor development of subcontractors through mentorship and training
- Provide subcontracting opportunities



Partnering

- Routine open communications with the owner’s team
- Non-adversarial approach to project scoping and negotiations
- Cooperative environment to find the best solution
- Team approach to building a successful JOC program



Transparency

- Clear documentation of project scopes/ requirements
- Cost proposals using the UPB/software, correct adjustment factors, and approved coefficients
- Legitimate proposals based on approved scope related items only

Upcoming JOC



Solicitation for a New JOC

General Information

Solicitation for new JOC planned in March 2020

Anticipate selection of approximately 8 contractors

Total authorization to be requested is \$48,000,000

Term is for a 2 year base with options for 3 one year extensions

Anticipated Schedule:

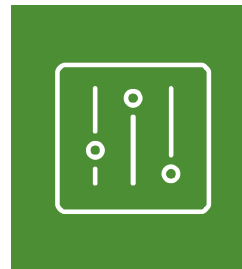
- Issue Solicitation: March/April 2020
- Proposals Due: May 2020
- Evaluation Recommendations: July 2020
- Award: August/September 2020

New JOC Contract Highlights



MBE/WBE Goals

- Compliance plans/goals will be established at the assignment level
- Good Faith Effort solicitation of subcontractors required when assignment goal is not met



Pricing Methodology

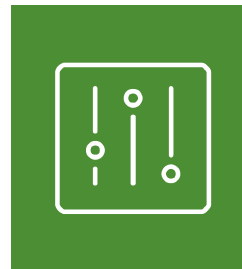
- Prime work: Left-hand R.S. Means (bare material, labor, equipment costs) + coefficient; coefficient on Subcontractor work
- Subcontractor work: Right-hand R.S. Means (bare costs including O&P)
- Intent is to pass through the R.S. Means O&P to the subcontractors to address market pricing issues and drive increased MBE/WBE participation

New JOC Contract Highlights Continued



Coefficient

- All CSI Division 1 line items are excluded from the UPB and associated costs (with some exceptions) are to be considered as part of the Coefficients
- This will more clearly define general requirement items that are part of the coefficient



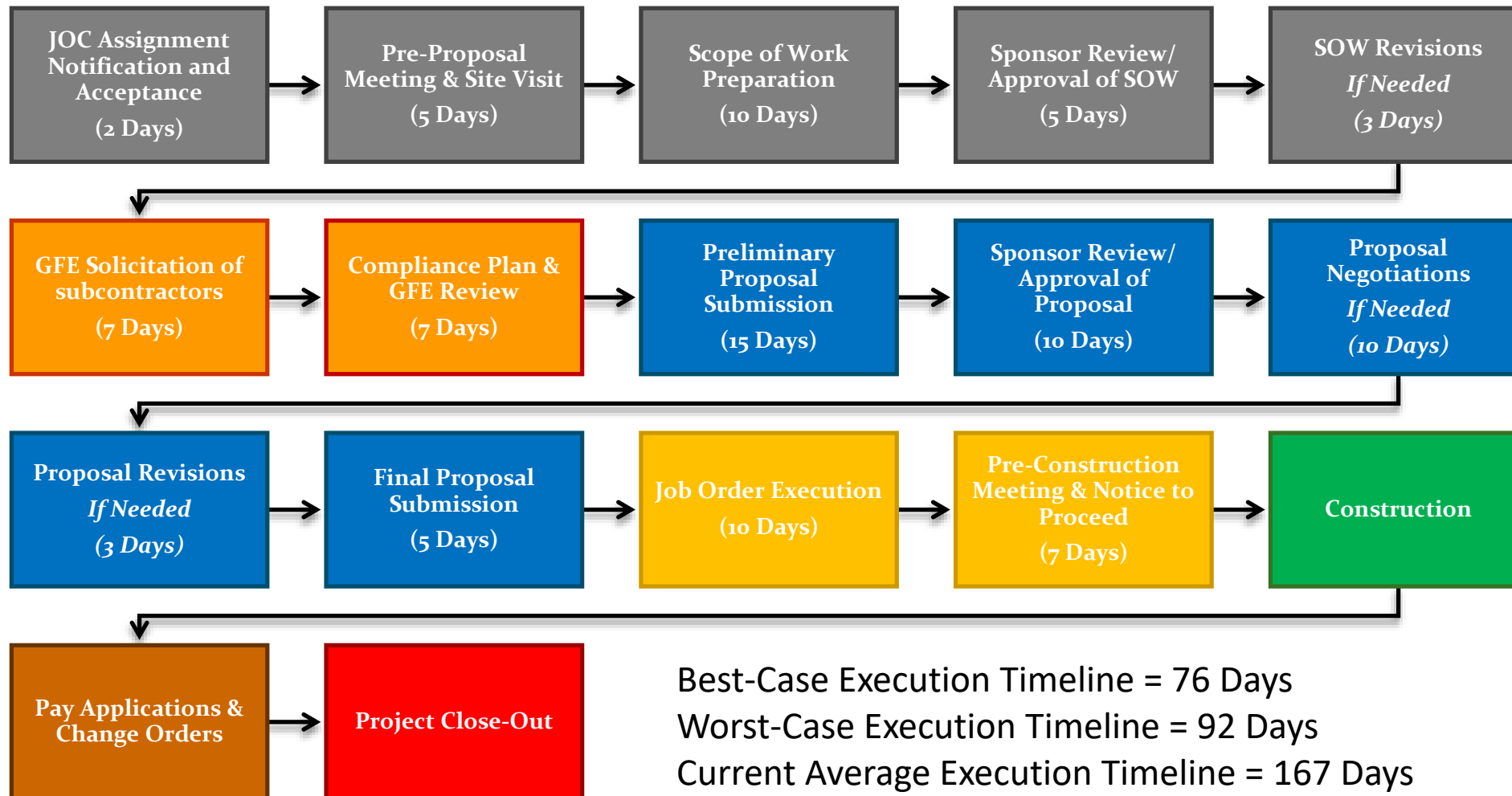
Assignment Cancellation Fee

- A standard flat-rate “line-item” fee for SOW/and or proposal development when an assignment is unilaterally canceled by the City after SOW/proposal development has occurred
- Ownership of SOW/proposal development products transfers to City upon payment of fee



JOC Process

For the City of Austin JOC Program



Questions?

Wage Compliance Program on Job Order Contracts

Baldemar Maldonado

Prevailing Wage Laws And Regulations



Federal Statute

- CFR Title 29 – Labor Subtitle A – Office of the Secretary of Labor Part 1, 3, 5
- Davis-Bacon and Related Acts



State Statute

- Texas Government Code Chapter 2258
Prevailing Wage Rates



Municipal Statute

- City of Austin Ordinance No. 20160324-015
adopts U.S. DOL wage surveys

Wage Rates & Payroll Reporting

Prevailing Wage Determinations:

- Building Construction (BC)
- Heavy and Highway Construction (HH)
- Five (5) feet beyond the building
- Prevailing Wage Rates at the Time of Job Order Assignment are Applicable (Only on JOCs)



City of Austin Current Minimum Wage:

- \$15.00, as of 1/31/2020
- Approved DOL Apprentices
- USDOL Certified Only
- No Texas Department of Licensing and Regulations (TDLR) Apprenticeship

Section 00830 - Continued

Wage Rates & Payroll Reporting

City of Austin Wage Compliance:

- The initial visit takes place within 3 week of the Notice to Proceed. Additional visits can occur at any time.
- Reviews documentation to verify compliance with Section 00830 of the Contract.

Documents We Will Review:

- Weekly Certified Payroll
- Proof of Fringe Benefits (if applicable)
- Statement of Compliance
- Employee Certifications

During Visits We Will:

- Closely observe workers on site
- Check for vendors not on the compliance plan
- Verify required Postings
- Conduct employee interviews



Questions?



Break

15 minutes

Developing the Coefficient for Job Order Contracting

Rick Selin

Terms, Definitions and Other Things

- UPB = Unit Price Book identified in the solicitation (i.e., RSMMeans pricing guide)
- UPB Delta or Fat = Difference between the UPB Costs and real-world cost to perform work
- General Conditions = Indirect Costs
- OHP = Corporate overhead and profit
- Coefficient = Adjusted UPB + general conditions/OHP %
- The correct coefficient may not be the winning coefficient.
- Do not bid to beat your competition.

What is a Coefficient?

- Value applied to the project costs from the UPB, which consists of the prime contractor's corporate overhead, profit, project general conditions and other indirect costs.
- However, due to the "Delta" or "Fat" in the UPB, the UPB usually covers the corporate overhead, profit, and project general conditions and other indirect costs of the subcontractors, vendors, and suppliers.
- Thus, in reality, your coefficient consists of all the prime contractor's corporate overhead, profit and project general conditions.
- In other words, it is all costs related to the project contract other than project direct costs.
- Do not take my word for it. Confirm by testing this through analytics!

Impact of the Coefficient

- A coefficient of 1.08 means that the contractor will perform each and every line item in the unit price book for an 8% increase.
- A coefficient of 1.00 means that the contractor will perform line items at cost.
- A coefficient of 0.97 would mean that the contractor would perform line items for a 3% discount.

Generating a Correct Coefficient

There are two primary factors to use in generating a correct coefficient.

1. **Analytics** – Hard data or numbers, historical or otherwise
2. **Non-Analytics** – Varies by company
 - a. Prime contractor, subcontractor, client, etc. IDIQ (rotational assignment) experience
 - b. UPB estimating experience
 - c. Adversarial or partnering environment
 - d. Prior experience with client – good or bad
 - e. Availability of staff or subcontractors
 - f. Extent of learning curve
 - g. Understanding the competition

Generating a Correct Coefficient

Using Analytics

8-Step Method to Generating a Correct Coefficient Using Analytics.

- Step 1 – Determine the “Delta” or “Fat” in the UPB
- Step 2 – Adjust the UPB up or down by the Delta
- Step 3 – Determine desired preliminary general conditions/OHP percentage (e.g., 16%, 18%, 20%, etc.)
- Step 4 – Add your preliminary general conditions/OHP % to the UPB

That is your desired preliminary coefficient.

Generating a Correct Coefficient

Using Analytics – Continued

Steps 5 – 8 verifying preliminary general conditions/OHP is correct.

- Step 5 – Determine the amount of contract revenue you want to base your coefficient calculations on (100%, 90%, 80%, etc.) of the contract revenue awarded each contract year.
- Step 6 – Calculate your actual contract general conditions/OHP based on solicitations/contract and company requirements.
- Step 7 – Confirmed or revised general conditions/OHP % from Step 3 and add to the UPB per Step 4.
- Step 8 – Verify and Confirm.

That is your coefficient based on analytics.

Step 1 - UPB “Delta” or “Fat”

Determining the + or – Delta of a UPB is the most important factor in generating a correct coefficient.

- Generate a UPB estimate for a pre-existing project that you have complete and know all the project direct costs (i.e., subcontractor costs, labor, materials, equipment, etc.)
- Generate a UPB estimate for a single project or specific work performed that is representative of the projects on the contract that you will be performing (i.e., restroom renovations, interior office renovations, electrical lighting upgrades, HVAC upgrades, doors and windows replacements, flooring and suspended ceiling replacements, etc.)

Step 1 - UPB “Delta” or “Fat”

Continued

Determining the + or – Delta of a UPB is the most important factor in generating a correct coefficient.

- The difference between the UPB estimate cost and the actual project direct costs is the Delta.
- Why only project direct costs? The coefficient covers the rest of the project indirect costs (i.e., general conditions, OHP, other indirect costs, etc.).

Example

- The actual project direct cost is \$175,000 and the UPB estimate cost is \$200,000. Then the Delta is \$25,000 or 12.5% or 0.125.

Step 2 - Adjust the UPB Up or Down

Determining the + or – Delta of a UPB is the most important factor in generating a correct coefficient.

- Adjust the UPB up or down by the Delta. In this case the UPB will be adjusted down by 12.5% or 0.125.

Example

- The UPB's current value is 1.0 minus the 0.125 Delta or adjusting the UPB down 0.125. The UPB's new adjusted value is 0.875.

Step 3 - Determine Desired General Conditions/OHP %

Determine desired preliminary general conditions/OHP percentage (e.g., 16%, 18%, 20%, etc.).

- Determine how much general conditions/OHP (i.e., general conditions, corporate overhead, other direct costs, profit, etc.) you want to place on the contract and how is it broken down.

Example

- Use 18% general conditions/OHP. This is made up of 10% general conditions, 4% corporate overhead and other direct costs, and 4% profit.

Step 4 - Add Preliminary General Conditions/OHP % to the UPB

Add preliminary general conditions/OHP % to the adjusted UPB to determine desired preliminary coefficient.

Example

- Take the UPB's new adjusted value of 0.875 from Step 2 and add the 18% or 0.18 desired preliminary general conditions/OHP %.
- $0.875 + 0.18 = 1.055$

Your desired preliminary coefficient is 1.055.

Step 5 - Amount of Contract Revenue

Determine the amount of contract revenue you want to base your coefficient calculations on (100%, 90%, 80%, etc.) of contract revenue awarded each contract year.

- This will come into play during Step 7 – Confirmed or revised general conditions/OHP and Step 8 – Verify and Confirm.
- The amount of contract revenue you base your coefficient calculations on will drive your coefficient up or down.
- Consider total contract value, number of terms, number of firms, and past program burn rate.

Step 5 - Amount of Contract Revenue

Continued

Example

- Contract : 4 Contractors; \$40,000,000 total value; 5-year term; equitable distribution among contractors
- Estimated Contract Distribution: $\$40,000,000 \div 5 \div 4 = \$2,000,000$ per year
- Estimate Contract Revenue Percentage: 80%
- Contract Revenue: $\$2,000,000 \times 80\% = \$1,600,000$ per year

Step 6 - Actual Contract General Conditions/OHP

Determine your actual contract general conditions/OHP based on solicitation/contract and company requirements.

- Review the solicitation/contract documents to generate a list of and identify what general conditions, overhead, other direct costs, and profit are to be included in your coefficient.
- Review the following solicitation/contract documents: solicitation, specifications, scope of work, etc.

Add these costs to a spreadsheet to calculate what actual general conditions/OHP % can be used to generate a coefficient.

Items Included in a Coefficient

For the City of Austin JOC Program

- Overhead & Profit (prime contractor)
- The following CSI Division 1 section requirements:
 - Section 01 11 Summary of Work
 - Section 01 21 Allowances
 - Section 01 31 Project Management and Coordination
 - Section 01 32 Construction Progress Documentation
 - Section 01 41 Regulatory Requirements
 - Section 01 51 Temporary Utilities
 - Section 01 52 Construction Facilities
 - Section 01 54 Construction Aids
 - Section 01 55 Vehicular Access and Parking
 - Section 01 56 Temporary Barriers and Enclosures
 - Section 01 58 Project Identification
 - Section 01 66 Product Storage and Handling Requirements
 - Section 01 71 Examination and Preparation
 - Section 01 74 Cleaning and Waste Management
 - Section 01 76 Protecting Installed Construction
 - Section 01 93 Facilities Maintenance

Items Included in a Coefficient

For the City of Austin JOC Program

- Compliance with all laws
- Submittals & Pre-proposal site visits
- All waste and excess materials (not accounted for in line item values)
- Sustainable Construction Practices
- Interest associated with funding of equipment and payroll
- Depreciation of mobile offices, if applicable
- Employee wages, payroll taxes, insurance and fringe benefits
- Risk of lower than expected contract dollar volume
- Risk of high inflation costs
- Risk of poor subcontractor performance
- Other risks of doing business
- Business taxes, contributions, memberships, corporate headquarters support
- Any and all subcontractor costs
- Other incidental costs

Items Excluded from a Coefficient

For the City of Austin JOC Program

- Overhead & Profit (subcontractors)
- Division 1 Section exceptions to:
 - Section 01 21 53.60 Security Factors
 - Section 01 31 13.20 Field Personnel
 - Section 01 41 Regulatory Requirements
 - Section 01 45 Quality Control
 - Section 01 54 Construction Aids
 - Section 01 55 Vehicular Access and Parking
 - Section 01 56 Temporary Barriers and Enclosures
 - Section 01 66 Product Storage and Handling Requirements
 - Section 01 74 Cleaning and Waste Management
 - Section 01 91 Commissioning
 - Section 01 93 Facilities Maintenance
- Legal and administrative costs to review and negotiate the Contract Documents.
- Fines, penalties, sanctions or impositions assessed or imposed by any governmental body, instrumentality or tribunal arising from the fault of Job Order Contractor.

Items Excluded from a Coefficient

For the City of Austin JOC Program

- Costs incurred by Job Order Contractor resulting from the failure of Contractor or its Subcontractors to coordinate their work with that of Owner and Owner's Third Party Contractors.
- Costs resulting from the failure of Job Order Contractor or any Subcontractor to procure and maintain insurance as and to the extent required by the Contract Documents.
- Costs related to Job Order Contractor's indemnification obligations pursuant to the 00700JOC General Conditions.
- The cost of capital, including, without limitation, interest on capital, regardless of whether it is related to the Project.
- Liquidated or actual damages imposed by Owner for failure of Job Order Contractor to achieve substantial completion by the date specified in the Notice to Proceed letter and final completion within thirty (30) calendar days of substantial completion for each Job Order Assignment.
- Costs of payment and performance bonds.

Step 6 - Actual Contract General Conditions/OHP Continued

Example - The solicitation verbiage (from various sections) mentions the following project management and supervision requirements (indirect costs) that are part of the coefficient consideration.

- Capacity to maintain 10 concurrent projects actively in construction.
- The Superintendent can dually serve as the Safety Representative.
- The Superintendent and/or Project Manager are allowed to roam between jobsites will work is in progress unless otherwise requested for a specific project.

Step 6 - Actual Contract General Conditions/OHP Continued

How do these project management requirements impact the coefficient?

Example

- Based on the listed requirements, to manage 10 projects concurrently you determine that you will need the equivalent of 1 project manager and 1 project superintendent/safety representative.
- You also determine that an estimator is needed.
- Additionally, you estimate that this contract is only accountable for the following staff workloads: project manager – 50%; superintendent – 50%; safety representative – 50%; estimator – 25%.

Add these costs to a spreadsheet to calculate what actual general conditions/OHP % can be used to generate a correct coefficient.

Step 6 - Actual Contract General Conditions/OHP Continued

Using the Solicitation/contract requirements, we can input the costs of the above listed requirements into a spreadsheet to calculate what actual general conditions/OHP % can be used to generate a correct coefficient.

Step 6 - Actual Contract General Conditions/OHP Continued

Example

Overhead		
Office	\$	24,000.00
Vehicles	\$	12,000.00
Other Overhead	\$	30,000.00
Overhead	\$	66,000.00
General Conditions		
Safety, Mobilization, Cleanup, ect.	\$	42,000.00
Project Manager (0.5)	\$	66,000.00
Superintendent (0.5)	\$	50,400.00
Estimator (0.25)	\$	19,500.00
Safety Rep (0.5)	\$	33,000.00
General Conditions	\$	210,900.00
Direct Project Costs	\$	1,260,000.00

Cash Flow		
Cost	\$	1,536,900.00
Revenue	\$	1,600,000.00
Gross Profit	\$	63,100.00

Overhead = \$66,000/\$1,600,000 = ~4.13%
General Conditions = \$210,900/\$1,600,000 = ~13.18%
Gross Profit = \$63,100/\$1,600,000 = ~3.94%
Total General Conditions & OHP = \$66,000 + \$210,900 + \$63,100 = \$340,000
Calculated General Conditions & OHP % = \$340,000/\$1,600,000 = 21.25% = 0.2125

Step 7 - Confirmed or Revised General Conditions/OHP %

- In Step 3, we selected a 18% or 0.18 general conditions/OHP. This is made up of 10% general conditions, 4% corporate overhead and other direct costs, and 4% profit.
- In Step 4, we added the 18% or 0.18 desired preliminary general conditions/OHP percentage to the 0.875 adjusted UPB to generate a desired preliminary coefficient of 1.055.

Step 7 - Confirmed or Revised

General Conditions/OHP % Continued

- In Step 6, we calculated a 21.25% of 0.2125 general conditions/OHP. This is made up of 13.18% general conditions, 4.13% corporate overhead and other direct costs, and 3.94% profit.
- Based on an evaluation of the preliminary and calculated figures, we will revise the general conditions/OHP.

Example

- General Conditions: Preliminary -vs- Calculated --> $10\% < 13.18\% = 13.18\%$
- Corporate Overhead: Preliminary -vs- Calculated --> $4\% < 4.13\% = 4.13\%$
- Profit: Preliminary -vs- Calculated --> $4\% > 3.94\% = 4\%$
- Revised General Conditions/OHP % = $13.18\% + 4.13\% + 4\% = 21.31\%$

Step 8 - Verify and Confirm

Now let's use the spreadsheet to see if we are correct! We use the spreadsheet to calculate and/or determine the following.

- Actual general conditions (indirect costs)
- Corrected general conditions/OHP % to add to the UPB
- Break even contract revenue threshold
- Amount of contract revenue to use in the calculations
- Contract start-up/mobilization costs
- Payback period of contract start-up/mobilization costs

Step 8 - Verify and Confirm

Continued

After verification of the revised general conditions/OHP % from Step 7, revise the coefficient.

Example

- Add the adjusted UPB value of 0.875 from Step 2 and the revised general conditions/OHP value of 0.213 from Step 7.
- $0.875 + 0.213 = 1.088$

The revised coefficient is **1.088**.

Generating a Correct Coefficient

Using Non-Analytics

The secondary primary factor to use in generating a correct coefficient is non-analytics. The weight or order of importance placed on the below factors varies by company.

- **Non-Analytics** – Varies by company.
 - a. Prime contractor, subcontractor, client, etc. IDIQ (rotational assignment) experience
 - b. UPB estimating experience
 - c. Adversarial or partnering environment
 - d. Prior experience with client – good or bad
 - e. Availability of staff or subcontractors
 - f. Extent of learning curve
 - g. Understanding the competition

“Step 9” - Modify for Non-Analytic Factors

Determine any additional adjustments needed to account for Non-Analytic Factors.

Example

- Market research shows the local subcontractor community is inundated with work.
- Quantify the impact of a subcontractor pool with potentially limited availability. The Assumption made is that it will impact cost by 1%.
- Modify the coefficient from Step 8.
- $1.088 + 0.01 = 1.098$

The final proposed coefficient would be 1.098.

Types of Coefficients

For the City of Austin JOC Program

Pre-Priced Items: Standard Working Hours

- Items with pricing included in the UPB
- Work occurs during standard working hours (e.g. 7:00 am – 6:00 pm Monday – Friday, excluding weekends and holidays)

Pre-Priced Items: Non-Standard Working Hours

- Items with pricing included in the UPB
- Work occurs outside standard working hours (e.g. 6:00 pm – 7:00 am Monday – Friday or anytime on Saturdays, Sundays, or Holidays)

Non-Pre-Priced Items

- Items that don't have pricing in the UPB and must be competitively procured

Conclusion

Information/Citations provided by:

- The Center for Job Order Contracting Excellence
- Curtis Buck - Buck & Associates, LLC

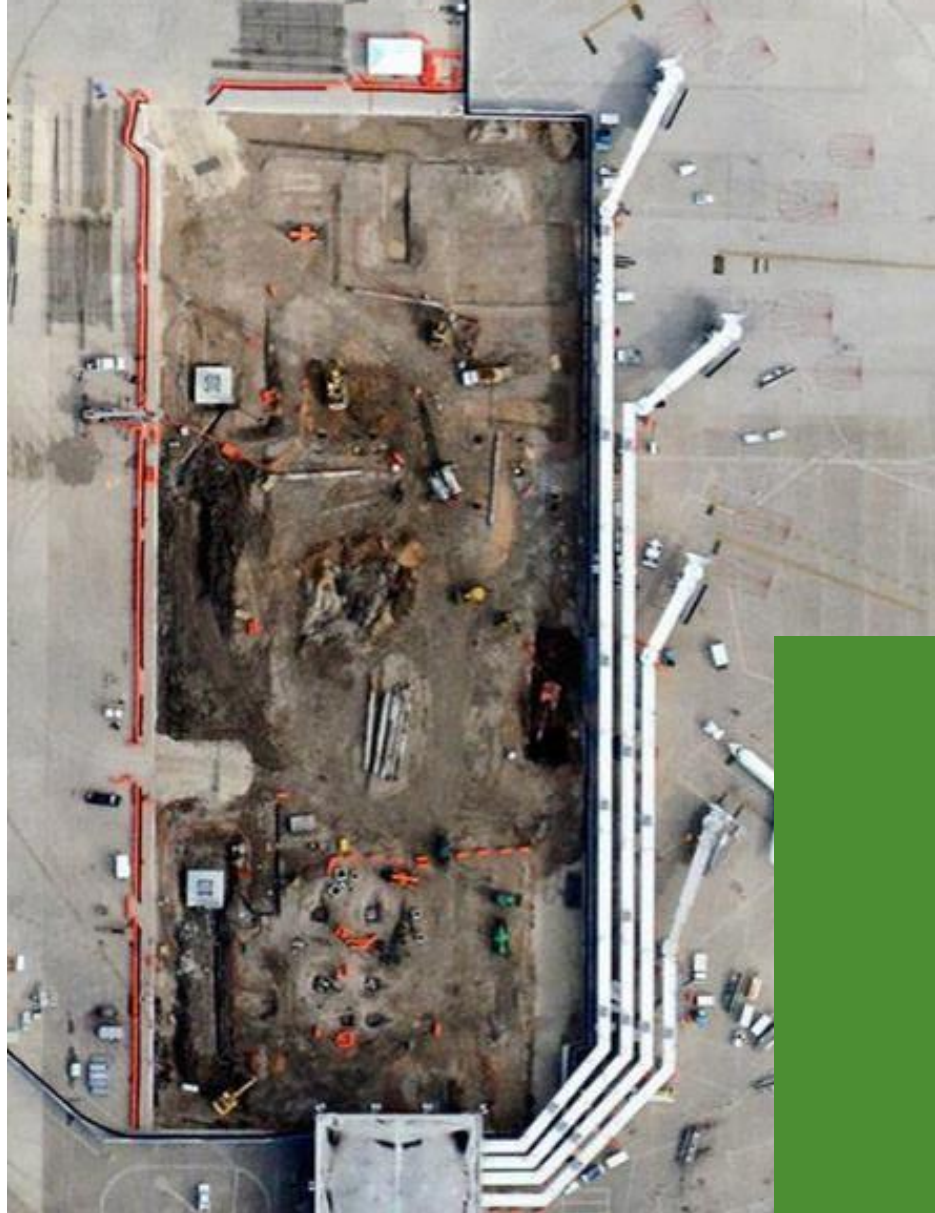
Questions?

Break

15 minutes

2020 Job Order Contracting Program Requirements

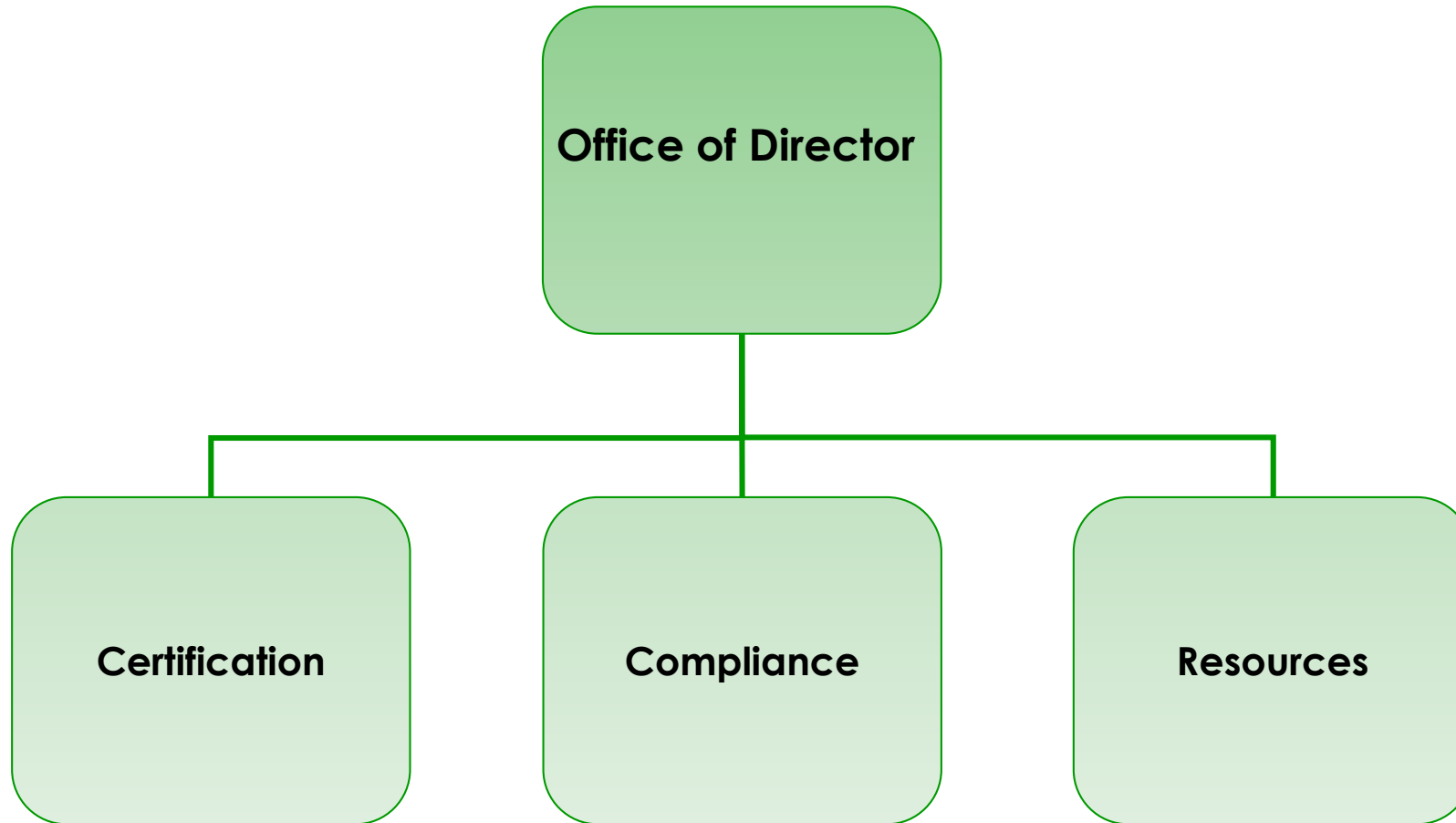




Objectives

- Provide a general overview of SMBR
- Highlight COA's MBE/WBE Program Ordinance and Rules
- Introduce SMBR JOC Team
- Discuss SMBR JOC Coordination
- Review MBE/WBE Compliance Forms

SMBR Organizational Chart



Purpose of SMBR



- Administer the Minority- and Women-Owned Business (MBE/WBE) Enterprise Procurement Program; and



- Certifies businesses that meet eligibility criteria for the City's M/WBE Program and the Federal DBE/ACDBE Program.



- Provide development opportunities and resources for small businesses so that they can have affirmative access to city procurement opportunities and show productive growth.



What is the MBE/WBE Program?

The City's MBE/WBE Program is intended to:

Promote and encourage MBEs and WBEs to participate in business opportunities with the City of Austin

Afford MBEs and WBEs an equal opportunity to compete for work on City contracts; and

Encourage contractors to provide subcontracting opportunities to certified MBEs and WBEs by soliciting each firm for subcontracting opportunities

What is the MBE/WBE Program?

Continued



- The City of Austin and its contractors shall not discriminate on the basis of race, color, national origin, disability, or gender in the award and performance of contracts.



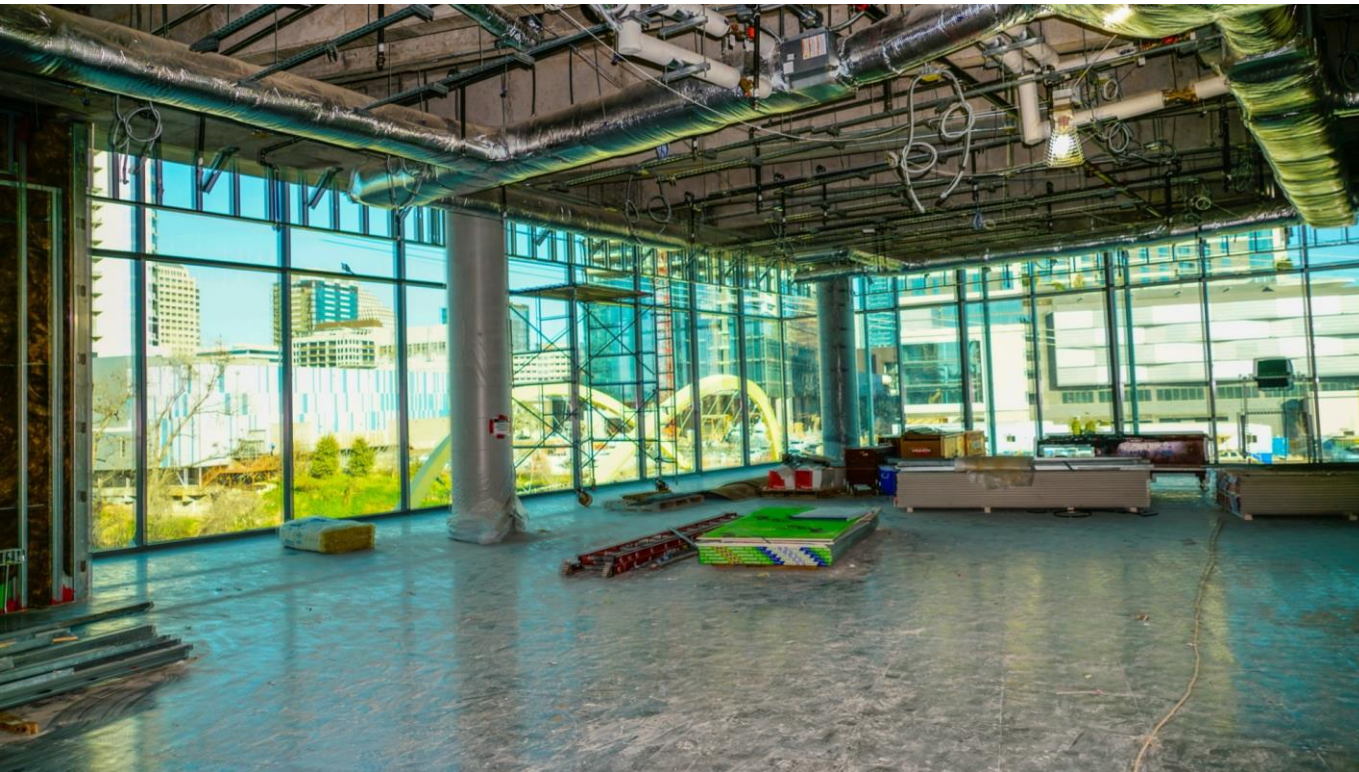
- The City encourages Bidders to achieve the MBE/WBE participation goals and subgoals however, Bidders may comply with the City Code and Rules without achieving the participation goals so long as they make and document Good Faith Efforts.



- Section 2-9A-21 of the City Code and Section 9.1 of the Rules: Bidders that do not meet the project's goals and subgoals are subject to Good Faith Efforts.

**Overview of MBE/WBE
Program Application to the
new JOC**

SMBR JOC Team



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Supervisor
(512) 974-7256



Laura Moreno
Lead
(512) 974-6668



Rachelle DeLouis
Business Development Counselor II
(512) 974-1295



John Smith
Business Development Counselor II
(512) 974-7758

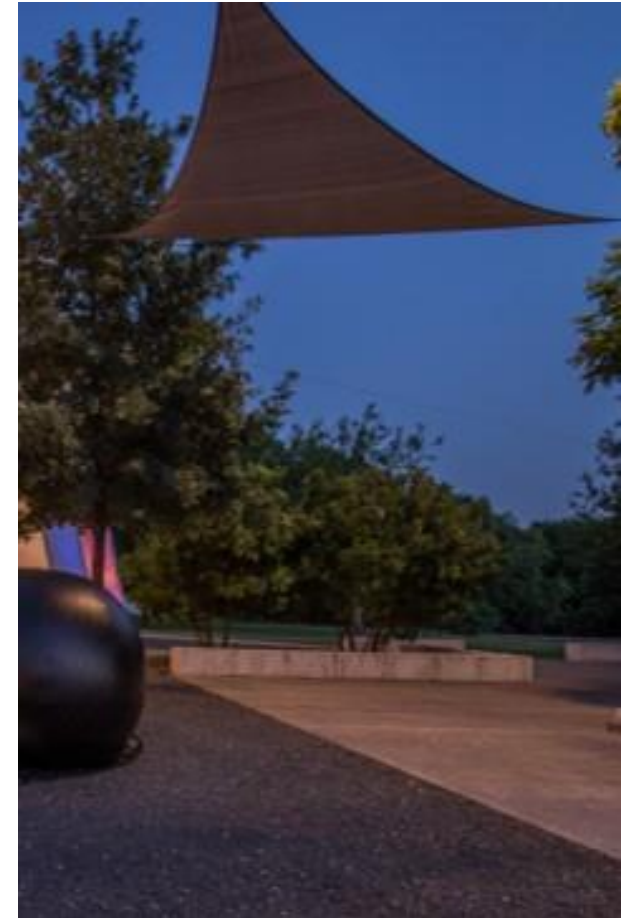
SMBR JOC

Coordination

- Bidder signs State of Responsibility at submission of bid.
- Once awarded, SMBR works with City PM's to establish goals based on the scopes provided in the SUF per assignment.

Once goals have been assigned, SMBR will forward to the Prime a Compliance Plan and Availability List.

The Prime will submit the Compliance Plan that meets the goals or include proper GFE documentation for efforts to meet the goal.



M/WBE Coordination Comparisons

	Current JOC Process	New JOC Process
Establishing Goals	Prior to Award	Sign State of Responsibility
Goal Setting	1 goal set for entire contract	Per Assignment
Number of Compliance Plans	One plan for the entire contract	Per Assignment
SUF Requirement	Did not apply	Per Assignment
RFC Requirements	1 RFC covered entire contract	Per Assignment
Closeout Requirements	1 Closeout at end of project	Per Assignment

JOC Compliance Plan

Firms are compliant by:

- Meeting the Individual Assignment Goals or Meeting GFE Requirements
- Demonstrating Good Faith Efforts (GFE)

<u>MBE/WBE GOALS</u>						
Annual/Project Participation Goals				Annual/Project Participation Subgoals		
MBE	_____	%	OR	African American	_____	%
WBE	_____	%		Hispanic	_____	%
Combined MBE/WBE	_____	%		Asian/Native American	_____	%
				WBE	_____	%

SUF Form

- Form will be sent by PM to SMBR for scope confirmation
 - Subs are approved (through previous CPs or RFC)

Subconsultant Utilization Form		Contract Management Department Contract Management Division				
Rotation List Name	Project Mgr:					
Project Name:	Assignment # / P.R. #:					
Date:	Submitted by:	Firm:				
Firm	Cert Type	Description of Work	Work Hours	Amount \$		
<Your Firm Here>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 1>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 2>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 3>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 4>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 5>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 6>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 7>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 8>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 9>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 10>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 11>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 12>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 13>		<Brief Description of work to be performed>	0.0	\$0.00		
<Subconsultant 14>		<Brief Description of work to be performed>	0.0	\$0.00		
TOTAL			0.0	\$0.00		
MBE/WBE PARTICIPATION						
<i>Please calculate participation percentages for each category, based upon the total dollar amount for certified firms in the specified category, divided by the Total Amount of the assignment</i>						
	Non - Certified	African American	Hispanic	Asian / Native American	MBE	WBE
This Assignment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Compliance Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<i>See next page for approval signatures</i>						
Please provide an explanation for any categories where participation for this assignment is less than the approved Compliance Plan percentages:						
<i>I certify that the information listed above has been reviewed and is accurate to the best of my knowledge.</i>						
Firm Representative				Date		
FOR COA USE ONLY						
I have reviewed the Consultant utilization and MBE/WBE participation for this assignment. A copy of this form will be forwarded to the appropriate SMBR Representative						
Project Manager:				Date		
Rotation List Mar				Date		

Meeting GFE Requirements

Appendix A

Section VIII — MBE/WBE Compliance Plan Check List

Is the stated project goal of the solicitation met?
Yes No

(If no, complete and submit Section VIII Compliance Plan Check List)

If the goals or subgoals were not achieved, all questions in Section VIII *must* be completed and Good Faith Efforts documentation must be submitted with the MBE/WBE Compliance Plan. The completion and submission of this form is not required if the above question is answered *Yes*.

Is the following documentation attached to support good faith effort requirements to achieve goals or subgoals?		
• Copy of written solicitation sent to MBE/WBEs in SLBP area 7 days prior to the submission of this Compliance Plan	Yes <input type="checkbox"/>	No <input type="checkbox"/>
• Two separate methods of notices sent to MBE/WBEs in SLBP area Indicate notice types: fax transmittals emails phone log letters	Yes <input type="checkbox"/>	No <input type="checkbox"/>
• Copy of advertisements placed in local publication	Yes <input type="checkbox"/>	No <input type="checkbox"/>
• Copy of notices sent to Minority and Women organizations	Yes <input type="checkbox"/>	No <input type="checkbox"/>
• Documentation that demonstrates additional GFEs: <ul style="list-style-type: none"> ○ Efforts to assist interested MBEs/WBEs in obtaining bonding, lines of credit, or insurance as required by the City or contractor ○ Efforts to assist interested MBEs/WBEs in obtaining necessary equipment, supplies, materials, or related assistance or services ○ Efforts made to reach agreements with the MBE/WBEs who responded to Bidder's written notice 	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Were additional elements of work identified to achieve the goals or subgoals? Yes No
If yes, please explain: _____

Was SMBR contacted for assistance? Yes No
If yes, complete following:
 Contact Person: _____
 Date of Contact: _____
 Summary of Request: _____

Were Minority or Women organizations contacted for additional assistance? Yes No
If yes, complete following:
 Organization(s): _____
 Date of Contact: _____
 Summary of Request: _____

2-9A Construction MBE/WBE Compliance Plan Packet 19 Revised December 2016

- Self performance does not relieve the Bidder/Proposer of the responsibility to demonstrate GFE
- Bidders/Proposers should not disqualify MBE/WBE firms without sound reasons
- Submit all GFE Documentation with Bid or Proposal

Request for Change Form (RFC)

REQUEST FOR CHANGE OF COMPLIANCE PLAN

Note: This form is not for changes to a current subcontractor's contract amount if the change is both less than 5% of the current subcontractor's contract amount and less than \$25,000. A change this minor will be documented instead on the subcontractor participation form submitted with the next application for payment. This provision is intended to accommodate the typical margin of error in quantities that is inherent in construction projects. This provision is not intended to allow contractors to self-perform work intended for subcontractors or to unlawfully substitute subcontractors.

Date:	Contract No.:
Solicitation No.:	Project Name:
Prime Contractor/Consultant:	

Proposed Change:

Subcontractor/Subconsultant:

Name of Subconsultant	<input type="text"/> <ul style="list-style-type: none"> Addition Deletion Substitution Contract Change Increase existing Subcontract Decrease existing Subcontract 	City of Austin Certified: <input type="text"/>
Vendor Code:		
Contact Person:	Phone No.:	
Proposed Change (\$):	Change (%):	
Commodity Code & Brief Description of Work:		
Reason for Requesting Change: (Attach supporting documentation as necessary):		

Note: If the request is a substitution, complete information for the firm being removed in the space above and sub being added below.

Subcontractor/Subconsultant Level:

Name of Subconsultant/Subcontractor:		
Vendor Code:	Ethnic/Gender Code: <input type="text"/>	City of Austin Certified: <input type="text"/>
Contact Person:	Phone No.:	
Proposed Change (\$):	Change (%):	
Commodity Code & Brief Description of Work:		
Reason for Requesting Change: (Attach supporting documentation as necessary):		

Add Another Change
Delete Change

I certify that the information included in this Request for Change of Compliance Plan is true and complete to the best of my knowledge and belief.

Prime Consultant/Contractor Printed Name	
Prime Consultant/Contractor Signature	Date

** This section for City of Austin use only **

If all of the following requirements are met, the SMBR Department Director's prior written approval is on file with the Public Works and Purchasing Director, and is automatic. Project Manager should sign the form and send a copy directly to SMBR:

- Change is for an existing certified subcontractor/subconsultant already listed in the Compliance Plan.
- Change is within the existing scope being performed by the subcontractor/subconsultant.
- Change is an increase in the contract amount for the subcontractor/subconsultant.

Project Manager Printed Name	Good Faith Effort? (explain in Comments field)		
Project Manager Signature	Date:		
Project Manager Comments:			
Division Manager Signature	Date:		
Division Manager Comments:			
Department Director Signature	Date:		
Department Director Comments:			
SMBR Representative Signature	Date:		
SMBR Representative Comments:			
I approve the requested change.		I disapprove the requested change.	
Director, SMBR	Date:	Director, SMBR	Date:
SMBR Director Comments:			

Contract Close Out



MBE/WBE CONTRACT COMPLIANCE CLOSE-OUT REPORT (To be completed by Consultant/Contractor)

Project Name: _____
Solicitation No.: _____ **Contract No.:** _____
Consultant/Contractor Name: _____
Project Mgr/Contract Admin.: _____
Consultant/Contractor is: Non-MBE/WBE MBE WBE MBE/WBE Joint Venture
MBE/WBE Consultant/Contractor: Ethnicity Code: AFRICAN AMERICAN HISPANIC
 ASIAN/NATIVE AMERICAN WHITE
 Gender Code: FEMALE MALE

Part 1: Summary Information

Original Contract & Compliance Plan	Approved Changes	Final Total	Actual Amount Paid	Retainage
Contract Amt \$	\$ _____	\$ _____	\$ _____	\$ _____
MBE/WBE Amt				
MBE \$ _____ (_____ %)	\$ _____	\$ _____ (_____ %)	\$ _____	\$ _____
If ethnic-specific:				
African-Am \$ _____ (_____ %)	\$ _____	\$ _____ (_____ %)	\$ _____	\$ _____
Hispanic \$ _____ (_____ %)	\$ _____	\$ _____ (_____ %)	\$ _____	\$ _____
Native-Am \$ _____ (_____ %)	\$ _____	\$ _____ (_____ %)	\$ _____	\$ _____
Asian-Am \$ _____ (_____ %)	\$ _____	\$ _____ (_____ %)	\$ _____	\$ _____
WBE \$ _____ (_____ %)	\$ _____	\$ _____ (_____ %)	\$ _____	\$ _____

Part 2: Consultant/Contractor Participation

If contractor/consultant is a MBE or WBE, contractor/consultant participation, minus any amount subcontracted

Original Compliance Plan	Approved Changes	Final Total
\$ _____ (_____ %)	\$ _____	\$ _____ (_____ %)

Part 3: Subcontractor Participation (Duplicate as needed.)

MBE/WBE CLOSE-OUT FORM 1 02/2010-FS

List below all subcontractors/subconsultants/suppliers (MBEs and WBEs as well as non-MBE/WBEs) used in performance of the contract.

Subcontractor	a) Compliance Plan	b) Approved Changes	c) Actual Amount Paid	d) Amt. of Retainage Due
_____	\$ _____	\$ _____	\$ _____	\$ _____

Reasons for any difference in amount contained in original Compliance Plan (a) and final total (c+d)

Part 4: Affidavit

MBE/WBE CLOSE-OUT FORM 2 02/2010-FS

The above information is true and complete to the best of my knowledge and belief.

Name and Title (Print): _____

SIGNATURE: _____ DATE: _____

STATE OF _____

COUNTY OF _____

On the _____ day of _____, 20____, personally appeared

_____ and having been duly sworn by me, subscribed to the foregoing affidavit and has stated that the facts stated therein are true and correct.

Notary Public

Printed Name of Notary

For City of Austin use only:

Did any violations occur on the project? YES NO

Did the Contractor/Consultant meet the Post-Award Requirements of the MBE/WBE Procurement Program? YES NO

Project Mgr./Contract Administrator Approval _____ Date _____

SMBR Representative Approval _____ Date _____

SMBR Director Approval _____ Date _____

Questions?



Wrap-up

Rick Selin

Key Contacts



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Department
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(512) 974-7256



The City of Austin would like your feedback for today's JOC event. Please complete the feedback survey.



<https://www.surveymonkey.com/r/JOC22020>

Thank You

