

SUBJECT:

Continuing Services for Contract for
Construction Services

ORIGINATING DEPARTMENT

Management and Budget

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POLICY:

- a. To facilitate expediting small construction projects, the County has entered into continuing services contracts with at least three general contractors. Of these contractors, one is a "Primary" Contractor to provide construction services for projects valued at less than \$25,000, and one is a "Back-up Primary" Contractor to provide construction services for projects valued at less than \$25,000, to be utilized only if the "Primary" Contractor is not able to provide services for a specific project. All of the contractors are "Alternate" Contractors to provide construction services for projects valued between \$25,000 and \$100,000.
- b. The "Primary", "Back-up Primary" and "Alternate" Contractors cannot be utilized for projects valued in excess of \$100,000. These projects must be competitively bid through the process outlined in Administrative Regulation AR: 9.10 (latest revision); Invitation to Bid Procedures.
- c. A continuing services contract shall be entered into with each selected contractor for a maximum period of three (3) years.
- d. The contractors selected for a continuing services contract shall be available for use by all County Staff.
- e. Staff shall make a good faith cost estimate as to the value of the proposed construction projects and follow the procedures outlined below, in accordance with the above threshold limits.

PROCEDURE:**I. PROCEDURE FOR PROJECTS LESS THAN \$25,000:**

- a. "Staff" means Department/Division/Office.
- b. "DMB" means Department of Management & Budget/Purchasing Section.
- c. Staff shall be permitted to directly contact the "Primary" Contractor to convey what services are required and to request a quotation.
- d. If the "Primary" Contractor is not able to respond to Staff's request for construction services, or cannot provide such services within a reasonable period of time, as determined by Staff, Staff shall be permitted to contact the "Back-up Primary" Contractor and request a quote from them.
- e. Staff shall not be permitted to obtain competitive quotes simultaneously from the "Primary" Contractor and the "Back-up Primary" Contractor for comparison purposes.
- f. The quote provided by the "Primary" Contractor, or the "Back-up Primary" Contractor, as the case may be, shall be in such form and detail as required by Staff, to enable them to determine

if the pricing proposed is reasonable and fair. This shall include, but not be limited to; 1) a listing of the Contractor's in-house work force to be used for the project, 2) the hourly labor rates for the Contractor's in-house work force, 3) the number of hours required by the Contractor's in-house work force to perform the work, 4) a description of the work to be performed by the Contractor's in-house work force, 5) a list of materials and/or equipment to be utilized, including their description, manufacturer and manufacturer's part number, 6) the cost for the materials and equipment, plus applicable mark-up, 7) a list of sub-contractors and a description of the work they will perform, 8) the cost of the sub-contractors' services, plus applicable mark-up, 9) an estimate of the time to complete the project, including a start date, and 10) total cost of the project.

- g. Staff shall evaluate the Contractor's quote to determine that the scope has been clearly and accurately understood, that the work has been properly estimated with supporting data presented, and that the material and equipment estimates are reasonable and properly documented. Staff shall be allowed to request additional information or clarification from the Contractor, if required.
- h. Staff shall be permitted to enter into "**value engineering**" negotiations with the Contractor to obtain the lowest and best pricing and schedule.
- i. Staff shall complete a "Work Authorization Form", explaining why the work needs to be done and showing that funding is available and attach the quote to it. The Form shall be executed by the requester, the Division Director (projects valued up to \$5,000), the Department Director (projects valued up to \$10,000), and the County Administrator or designee (projects valued over \$10,000).
- j. Once approved, Staff shall issue the contractor a Purchase Order and Notice to Proceed, authorizing the contractor to commence with the work. Staff shall complete a Notice of Commencement (if required) and have such recorded in the public records of Citrus County.
- k. If the quote provided by the "Primary" Contractor exceeds \$25,000 and the pricing cannot be reduced below \$25,000 through "**value engineering**", quotes must be obtained from all "Alternate" Contractors, as noted below.

II. PROCEDURE FOR PROJECTS GREATER THAN \$10,000 BUT LESS THAN \$100,000:

- a. "Staff" means Department/Division/Office.
- b. "DMB" means Department of Management & Budget/Purchasing Section.
- c. Staff shall be permitted to directly contact the "Alternate" Contractors to convey what services are required and to request a competitive quotation from each.
- d. If quotations cannot be obtained from all "Alternate" Contractors, documentation as to the reason for such shall be forwarded to DMB. DMB will address the non-responsiveness with the non-compliant Contractor(s). A trend of repeated non-compliance by any one "Alternate" Contractor will be cause for termination of that Contractor's continuing services contract.
- e. The quotations provided by the "Alternate" Contractors shall be in such form and detail as required by Staff to enable them to determine if the pricing proposed is reasonable and fair.

This shall include, but not be limited to, 1) a listing of the Contractor's in-house work force to be used for the project, 2) the hourly labor rates for the Contractor's in-house work force, 3) the number of hours required by the Contractor's in-house work force to perform the work, 4) a description of the work to be performed by the Contractor's in-house work force, 5) a list of materials and/or equipment to be utilized, including their description, manufacturer and manufacturer's part number, 6) the cost for the materials and equipment, plus applicable mark-up, 7) a list of sub-contractors and a description of the work they will perform, 8) the cost of the sub-contractors' services, plus applicable mark-up, 9) an estimate of the time to complete the project, including a start date, and 10) total cost of the project.

- f. Staff shall evaluate the Contractors' quotations to determine that the scope has been clearly and accurately understood by all three of them, that the work has been properly estimated with supporting data presented, and that the material and equipment estimates are reasonable and properly documented. Staff shall be allowed to request additional information or clarification from the three Contractors, if required.
- g. Once Staff has determined that all three Contractors have a clear understanding of the scope of the project and they have submitted their final adjusted cost estimate, if applicable, the Contractor that offers the lowest "total cost for the project" shall be awarded the project.
- h. If the lowest "total cost for the project" exceeds the funding that Staff has budgeted for the project, Staff shall be permitted to enter into "**value engineering**" negotiations with the Contractor who submitted the lowest cost estimate after they are selected. If these negotiations result in a decrease in the originally quoted price, a new cost estimate shall be prepared by the Contractor to reflect such changes.
- i. If the value of the project, as quoted by the selected Contractor, is between \$25,000 and \$100,000, Staff shall prepare an agenda item for presentation to the Board of County Commissioners for approval and signature. The agenda item shall have attached to it the three quotations and a completed "Work Authorization Form", explaining why the work needs to be done and showing that funding is available. The Form shall be executed by the requester, the Division Director, the Department Director, the County Administrator or designee and the Contractor. Once approved by the Board, Staff shall issue a Purchase Order and Notice to Proceed to the contractor, authorizing the Contractor to commence with the work. Staff shall also complete a Notice of Commencement (if required) and have it recorded in the public records of Citrus County.
- j. Upon completion of the project, the Contractor shall submit a request for payment. The payment request shall itemize the actual costs incurred by the Contractor and shall be substantiated with time sheets of its in-house work force and receipts for all materials, equipment and sub-contracted services. Payment of payment requests by the County will be made after inspection of the completed services and satisfactory acceptance of such by Staff.

FOOTNOTES & REFERENCES TO RELATED AR's: Supersedes AR 9.11 dated August 12, 2008, AR 9.11-1 dated September 28, 2010, AR 9.11-2 dated April 14, 2015.