



**August 10, 2017**

**To:** Transit Committee

**From:** Darrell Johnson, Chief Executive Officer

**Subject:** Approve the Use of Contractor Pre-Qualification and the Release of the Request for Pre-Qualification for the OC Streetcar Construction Project

### **Overview**

The Orange County Transportation Authority is proposing a pre-qualification process as a means of securing qualified contractors to provide construction services for the OC Streetcar project.

### **Recommendations**

- A. Approve the use of a pre-qualification process for the upcoming invitation for bids for construction of the OC Streetcar project
- B. Approve the release of the Request for Pre-Qualification 7-1882 of contractors for construction of the OC Streetcar project.

### **Background**

The Orange County Transportation Authority's (OCTA) procurement policy includes a sealed bid method for procuring public works projects which allows all contractors holding general or specific licenses to bid. Award is mandated to the lowest responsive, responsible bidder. The current policy does not allow for the use of a contractor pre-qualification to establish bidder responsibility. Staff recommends the use of a pre-qualification process to secure qualified contractors and is seeking Board of Directors (Board) authorization to use a contractor pre-qualification as the first step to procure construction services for the OC Streetcar project (Project).

The Project will be a 4.15-route-mile (8.3-track-mile) modern streetcar line that will connect the Santa Ana Regional Transportation Center to Downtown Santa Ana and a new transportation hub located near the intersection of Harbor Boulevard and Westminster Avenue in the City of Garden Grove.

The Project design plans and specifications are nearing completion and the construction invitation for bid (IFB) is scheduled to be released in late October 2017. The construction effort will involve complex and specialized work for several elements, including the installation of embedded track in streets, overhead electrical power supply, and stop shelter canopies. In addition, the new bridge over the Santa Ana River will involve specialized work for installation of the deep cast-in-drilled-hole piles.

### ***Discussion***

Staff is recommending the use of a pre-qualification of contractors prior to the release of the construction IFB for the Project. Providing a pool of potential bidders that are determined to be responsible and qualified to provide the specialized work necessary for the Project will help ensure that the prime contractor awarded the construction contract has the necessary capacity and experience to undertake the construction. The use of a pre-qualification process has the potential to minimize both cost and schedule risks during construction.

The Federal Transit Administration, which is providing Project oversight and approvals and significant funding proposed through the New Starts Program, agreed as part of the Project risk assessment that pre-qualifying construction contractors reduces some of the uncertainty and risks associated with the low bid IFB process.

Pre-qualifying contractors is allowed in the procurement of construction services under the California Public Contract Code (PCC) Section 20101 (Attachment A). This section authorizes public agencies to require that each prospective bidder for a contract complete and submit a standard questionnaire and financial statement, including a complete statement of its experience in performing relevant public works projects. Pre-qualification is a preliminary stage in the bidding process. This process determines if contractors have the requisite experience, financial capacity, and resources to complete a project.

### **OC Streetcar Pre-Qualification Process**

OCTA has developed a questionnaire which will be advertised to all registered bidders via OCTA's CAMM NET system (Attachment B). Under the pre-qualification process, prime contractors are required to complete and submit a notarized questionnaire and provide supporting materials by the date and time specified in the request for pre-qualification. The due date for submissions is prior to the construction bid due date. OCTA will apply an objective uniform system of rating, which will include a combination of pass/fail criteria and point based scoring to each of the completed questionnaires, financial statements,

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and supporting materials. As required by the PCC, OCTA has developed an appeals process to allow all contractors that were unsuccessful in the pre-qualification process to seek reversal of the determination.

The pre-qualification questionnaire is divided into four categories and will be scored as follows:

	<b>Evaluation Criteria</b>	<b>Maximum Points</b>	<b>Required Passing Score</b>
Part I	Essential Requirements for Qualification	Pass	Pass
Part II	Section 1: History of Business and Organizational Performance	76 points	57 points
	Section 2: Safety, Prevailing Wage, and Apprenticeship	68 points	49 points
Part III	Listing of Project Experience	Complete	Complete
Part IV	Reference Checks	130 points (per project)	95 points (averages score of two projects)

Scoring of the questionnaires will be performed by OCTA staff representing the various disciplines addressed in the questionnaire. Contractors must receive a pass rating set forth in Part I and III of the pre-qualification questionnaire and attain the minimum required scores as noted above for Parts II and IV in order to be qualified. Only those contractors that are deemed qualified will be allowed to participate in the subsequent construction IFB.

### **Next Steps**

The following are the next steps in the Project's construction process:

<b>Activity</b>	<b>Proposed Completion Date</b>
Board approval to release IFB	October 2017
Bids submittal	January 2018
Board approval to award agreement	April 2018
Issue notice to proceed for construction	July 2018

### **Summary**

Staff requests the Board of Directors' approval to use a pre-qualification process of contractors and approve the release of request for pre-qualification of contractors for the upcoming OC Streetcar project construction bid.

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Release of the Request for Pre-Qualification for the  
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***Attachments***

- A. California Public Contract Code Section 20101
- B. Draft Request for Pre-Qualification of Contractors 7-1882 for the  
OC Streetcar Construction Project

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