

LEGISLATIVE DIGEST

Revisions to Integrated Project Delivery Construction Contracting Procedures.

Ordinance amending San Francisco Administrative Code Chapter 6 to revise section 6.68 concerning integrated project delivery contracting procedures.

Existing Law

Administrative Code Chapter 6 addresses public work or improvement contracting policies and procedures.

Section 6.68 authorizes department heads to execute integrated project delivery construction contracts under which construction managers/general contractors (CM/GCs) provide pre-construction and construction phase services. Section 6.68 provides for a selection process under which a department head may recommend award of a contract to the CM/GC who submits the lowest responsive bid.

Amendments to Current Law

Section 6.68 is amended to:

- Remove the word "cost" from the second line of subsection 6.68(D).
- Replace the term "bidder" with "CM/GC" in subsection 6.68(E).
- Remove the authorization for department heads to conduct contract negotiations as part of the final selection process. (Subsection 6.68(E).)
- Authorize an alternative final selection process that may be used if a department head determines that it is in the public's best interest to consider qualifications and/or other non-cost criteria as part of the final selection process. Under the alternative process, proposals will be evaluated based upon these non-cost criteria and project cost; the cost criterion shall constitute not less than sixty-five percent of the overall evaluation. Non-cost criteria include: (i) plan for expediency in completing the proposed project; (ii) quality of proposal; (iii) compliance with the goals set by the Human Rights Commission and requirements of Administrative Code Chapters 12 and 14; (iv) commitment to meet City hiring goals (e.g., CityBuild or First Source Hiring); and (v) compliance with all the requirements and criteria established by the department head in the request for proposals. The cost criterion shall constitute not less than sixty-five percent (65%) of the overall evaluation. (New subsection 6.68(F).)
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- Authorize department heads using the alternative final selection process to recommend the award of a contract to the highest-ranked CM/GC whose total proposed fee is not more than ten percent (10%) or twenty percent (20%) greater than the total proposed fee of the lowest responsive bid. (New subsection 6.68(F)(2).)
- Renumber existing subsections 6.68(F), 6.68(G), 6.68(H), and 6.68(I) for clarity and logic within amended section 6.68.

Background Information

This legislation provides City departments with greater flexibility in using integrated project delivery to promote competition for certain public work projects, help achieve cost savings or time efficiencies for such projects, and help ensure the selection of a CM/GC whose proposal represents the overall best value to the City. The proposed alternative final selection process is very similar to the alternative selection process authorized for design-build contracts under Administrative Code subsection 6.61(F).