



## MEASURE CC

BUILDING NEW OPPORTUNITIES FOR  
OUR STUDENTS & OUR COMMUNITY



## Week 2

# Small Contractor Boot Camp

September 9, 2020



# Agenda

- Welcome & Introductions
- Local Procurement Technical Assistance Center
- How to Prepare a Bid with SBCCCD
- UCCAP / Prequalification with SBCCCD
- Bidding, Scheduling, Estimating / Fundamentals of Project Management
- Third Party Funds / Change Orders
- Meeting Close



# Facilities, Emergency Management and Construction – SBCCCD

**Hassan Mirza, Facilities Project Manager**



**Point of Contact**

**Project Manager**  
Facilities, Emergency  
Planning and  
Construction

[hmirza@sbccd.edu](mailto:hmirza@sbccd.edu)

**(909) 388-6954**

# Preparing a Bid with SBCCD

- Bidding Process
- Bid Package
- Notice of Intent to Award (NOITA)



# Bidding Process

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- Advertisement
- Request for Proposal (RFP)
- Mandatory Job Walk
- Requests for Information (RFI)
- Addenda
- Bid Submittals
- Bid Opening Date/Time
- Notice of Intent to Award (NOITA)
- Board Approval
- Construction Contract and Purchase Order (PO)
- Notice to Proceed (NTP)



# Bidding Process

## SAN BERNARDINO COUNTY SUN

473 E CARNEGIE DR #200, SAN BERNARDINO, CA 92408  
Telephone (909) 889-9666 / Fax (909) 884-2536

SHERRI LIEN GIFFIN  
SBCCD/AECOM  
550 E HOSPITALITY LANE STE 200  
SAN BERNARDINO, CA - 92048

## PROOF OF PUBLICATION

(2015.5 C.C.P.)

State of California )  
County of SAN BERNARDINO ) ss

Notice Type: BID - NOTICE INVITING BIDS

### Ad Description:

NIB 01-1921-01 Roof Replacement at San Bernardino Valley College  
/ Library building

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of the SAN BERNARDINO COUNTY SUN, a newspaper published in the English language in the city of SAN BERNARDINO, county of SAN BERNARDINO, and adjudged a newspaper of general circulation as defined by the laws of the State of California by the Superior Court of the County of SAN BERNARDINO, State of California, under date 06/27/1952, Case No. 73081. That the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

This space for filing stz

SB #: 3352384

Notice is hereby given that the San Bernardino Community College District (SBCCD) located at 550 E Hospitality Lane #200, San Bernardino CA, 92408, acting by and through its Governing Board, is seeking bids from contractors who hold a C-39/ C-43 contractor's license and DIR registration # that are interested in providing construction services for Roof Replacement at San Bernardino Valley College / Library building (NIB 01-1920-01). Contractors may obtain the NIB document at [www.sbccd.org/bfs/constructionbids](http://www.sbccd.org/bfs/constructionbids). Please address requests for information to Hassan Mirza, SBCCD Facilities Project Manager at [hmirza@sbccd.edu](mailto:hmirza@sbccd.edu). There will be a mandatory job walk held at 10:00 am on **March 25, 2020** at the Library Building located at San Bernardino Valley College. See NIB for further details. **SUBMISSION:** Submit 1 hard copy of the completed response in a sealed envelope marked "(01-1920-01 - Library Roof Replacement At SBVC)." to SBCCD Facilities, Attn.: Hassan Mirza, at 550 E Hospitality Lane #200, San Bernardino CA 92408 no later than **3:00 p.m. on April 9, 2020.**  
3/14, 3/21/20

SBS-3352384#



# Bidding Process



Addendum 1  
April 02, 2020

## Notice Inviting Bids

Construction Services for  
Library Roof Replacement  
At SBVC

NIB # **CC01-3610.02**

NIB RELEASED: 03/13/2020

Site Walk and Conference (mandatory): 10:00 A.M. PDT on 03/25/2020

REQUESTS FOR INFORMATION DUE: 5:00 P.M. PDT on 03/31/2020

FINAL ADDENDUM ISSUED: 3:00 PM PDT on 04/03/2020

Bids DUE: 3:00 P.M. PDT on 04/09/2020

Bids PUBLICALLY OPENED: 3:01 P.M. ON 04/09/2020

Submit Requests for Information to:  
Hassan Mirza, SBCCD, Facilities  
Project Manager Phone: 909.388.6958  
Email: [hmirza@sbccd.edu](mailto:hmirza@sbccd.edu)

Submit Bids To:  
San Bernardino Community College District  
ATTN: Hassan Mirza, Facilities Project Manager  
550 E Hospitality Ln #200, San  
Bernardino, CA 92408  
Phone: 909.388.6958  
Email: [hmirza@sbccd.edu](mailto:hmirza@sbccd.edu)



# Bid Package

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- Bid Alternatives
- Required License
- Allowance
- License and Department of Industrial Relations Number (DIR)
- Scope of Work
- Time Schedule
- Subcontractors
- Public Works Reforms (SB 854) Requirements
- Prevailing Wage Requirements
- Bonds (Separate Payment and Performance Bonds)
- Notice of Inviting Bids (NIB) Exhibits





# Notice of Intent to Award (NOITA)



- Notice of Intent to Award
- Construction Agreement
- Construction Agreement Forms
- Supplier Information Form
- W-9





# Supplier Information Form Date: \_\_\_\_\_

Instructions: Please provide information about your company as indicated. Submit completed form by email to [businessservices@sbccd.org](mailto:businessservices@sbccd.org) with a completed IRS W-9 form

Please note this is a companion form to the IRS's form W-9, the Name on this form must match name on the W-9 companion form

## 1. Company Name & Mailing Address (for quotes & purchase orders)

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

County/Parish: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

## 2. Payment Mailing Address: (if different from previous)

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

County/Parish: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

## Optional

### 3. Electronic Payment Information - For direct deposit of payments. Must include a copy of Canceled Check or letter from your Banking Institution

Name of Financial Institution: \_\_\_\_\_

Account Number: \_\_\_\_\_ Routing Number: \_\_\_\_\_

### 4. On the Submitted W9, is Supplier listed as Individual/Sole Proprietor or Single-Member LLC? ☐ Yes ☐ No

If No, Please skip to section 5.

If Yes, please complete the following: This information is **required** by the State of California Employment Development Department

Owners Name: \_\_\_\_\_

Owners Social Security number: \_\_\_\_\_

### 5. For all Public Works Suppliers: i.e. work on public buildings or landscape over \$1,000; repair, maintenance, construction, etc.

This field is required, only for Public Works Suppliers. (If not a public works suppliers, please skip to section 6.)

Department of Industrial Relations Number if Applicable (DIR#) \_\_\_\_\_

The Name of the Supplier DIR Number is listed under \_\_\_\_\_

General Contractor's License Number: \_\_\_\_\_

### 6. Persons authorized to sign bids, offers and contracts:

Name: \_\_\_\_\_ Position: \_\_\_\_\_ Phone: \_\_\_\_\_

### 7. Person to contact regarding sales or services:

Name: \_\_\_\_\_ Position: \_\_\_\_\_ Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

Form Version 07-01-2020



**Request for Taxpayer  
Identification Number and Certification**

► Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Give Form to the  
requester. Do not  
send to the IRS.

Print or type. See Specific Instructions on page 3.	<b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	<b>2</b> Business name/disregarded entity name, if different from above	
	<b>3</b> Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.	
	<input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ►	
	<b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.	
	<input type="checkbox"/> Other (see Instructions) ►	
<b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):		
Exempt payee code (if any) _____		
Exemption from FATCA reporting code (if any) _____		
(Applies to accounts maintained outside the U.S.)		
<b>5</b> Address (number, street, and apt. or suite no.) See instructions.		
Requester's name and address (optional)		
<b>6</b> City, state, and ZIP code		
<b>7</b> List account number(s) here (optional)		

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>									
or									
<b>Employer identification number</b>									

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign  
Here**

Signature of  
U.S. person ►

Date ►

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

**Purpose of Form**

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.





### NOTICE OF INTENT TO AWARD CONTRACT

April 23, 2020

R & R Roofing & Waterproofing, Inc.  
17995 Collier Ave.  
Lake Elsinore, CA 92530

Attn: Raul Jasso

Subject: San Bernardino Community College District ("District")  
Library Roof Replacement at SBVC Project CC01-3610.02 – (Package 1)  
Construction Services NOITA

Please take notice, that pursuant to the Instruction for Bidders issued by the District in connection with the above referenced Project. This shall constitute the District's Notice of Intent to Award the Contract for the construction service for Library Roof Replacement at SBVC Project CC01-3610.02 – (Package 1). The District intends to award the Contract for the Project in the amount of **\$230,645.00** (this includes \$10,000.00 project allowance) to R & R Roofing & Waterproofing, Inc., as the responsible and responsive bidder. Award of the Contract for the Project will be considered by the District's Board of Trustees at the monthly meeting of the District's Board of Trustees on May 14, 2020 beginning at 4:00 pm in the Board Room at San Bernardino Community College District. Caliber Construction, Inc. is welcomed to attend.

It is the District's Intent to Award the Contract provided that all further requirements are complied with. Please furnish the following documents to the District as soon as possible, no later April 30, 2020 at 4:00 P.M. (except Items 2 and 11 below, see dates below)

1. Section 00 50 00: Two (2) sets of the Contract Agreement with your signature for final execution. Please note that each page of the Contract Agreement needs to be initialed at the lower right hand corner as acknowledgement that you have read and agreed to all terms contained on that page and the Agreement.
2. Section 00 50 01 & Section 00 50 02: All Performance and Payment bonds for the above total awarded amount shall be executed immediately after Board approval of the award and forwarded to the District no later than May 15, 2020.
3. Section 00 50 03: A signed executed copy of the Guarantee form.
4. Section 00 50 04: A signed executed copy of the Contractor's Certificate Regarding Drug-Free



# NOITA Requirements

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- Two sets of Contract Agreement
- Performance and Payment Bonds
- Other Forms and Construction Agreement
- Completed W-9
- Proof of Department of Industrial Relations Number (DIR #)
- Certificate of Insurance per Contract Requirements
- California Proof of Active Construction Contractor License
- Completed Supplier Information Form



# Local Business Outreach – Measure CC

**Ynez Canela**



**Point of Contact**

**Administrator**  
**Local Business  
Outreach,  
Measure CC**

**[ycanela@sbccd.edu](mailto:ycanela@sbccd.edu)**

**(909) 381-8427**

# Procurement & Planet Bids

1) Visit the Measure CC homepage @  
[www.sbccd.edu/MeasureCC](http://www.sbccd.edu/MeasureCC)

OR

2) Planet Bids Vendor Portal:  
<https://www.planetbids.com/portal/portal.cfm?CompanyID=29414>

## WELCOME

- ▶ Measure CC
- ▶ About Us
- ▶ Measure CC at Work
- ▶ Changing the Landscape
- ▶ News & Events
- ▶ Work With Us



## MEASURE CC

BUILDING NEW OPPORTUNITIES FOR  
OUR STUDENTS & OUR COMMUNITY



Overview of Measure CC at Work: Build Out Concept



## MEASURE CC

BUILDING NEW OPPORTUNITIES FOR  
OUR STUDENTS & OUR COMMUNITY

## ARE YOU A LOCAL CONTRACTOR INTERESTED IN WORKING WITH US?

The San Bernardino Community College District's (SBCCD) Facilities Planning and Construction Vendor Portal is facilitated by PlanetBids; a web enabled eProcurement system. Registered vendors receive automatic bid alerts notifications based on the commodity codes selected, can download bid documents, become prospective bidders and bid electronically when applicable.

To register visit: <https://www.planetbids.com/portal/portal.cfm?CompanyID=29414>

Need help? [View our cheat sheet.](#)





# SBCCD Planet Bids Vendor Portal


San Bernardino Community College District

VENDOR PORTAL



New Vendor Registration

Create a new vendor record.  
If you wish to view or edit an existing vendor, simply Log In with your Email Address and Password.



My Contracts

UNAVAILABLE

Manage your awarded contracts, record payments, add subcontractors, produce reports and charts.



Contracts

UNAVAILABLE

View public information regarding agency contracts.



News & Events

- SBCCD - RFQ 03-1819-02 Construction Services for DSS-TESS Tenant Improvement Project

- San Bernardino CCD Prequalification Notification Email

- SBCCD - Prequalification - RFC for Attachments



Bid Opportunities

Search for bid opportunities with this agency, download documents, become a prospective bidder, and electronically bid on projects.



Certified Vendors

LOGIN REQUIRED

Find Certified Prequalified Businesses



My Insurance

UNAVAILABLE

View and fulfill insurance requests/requirements.



PLANETBIDS

Copyright © 2020 PlanetBids, Inc. All Rights Reserved.

Forgot Password?

Not Logged In

Log In





# SBCCD Planet Bids Vendor Portal

Vendor Profile

New Registration

Company Info

Additional Addresses

Classifications/Licenses

Other Business Info

Category/Description

Prequalification

?

Log In

User Authentication

Password

Company

Business Type

Company Name

Doing Business As

FEI/Tax ID Number

DUNS

Address

City

State

Country

Zip

Website

Principal Owner/CEO Name

Title

Email

Phone

Fax

Main Contact

Name

Title

Email

Alternate Email

Phone

Toll Free

Mobile

Fax

Referral

How did you hear about registering with San Bernardino Community College District?

San Bernardino Community College District

PLANETBIDS

Report

Cancel

Register



# Thank You!



# Government Contracting Assistance



*Assisting Riverside and San Bernardino businesses in obtaining government contracts since 1996.*

# Procurement Technical Assistance Center (PTAC)

This procurement technical assistance center is funded in part through a cooperative agreement with the Defense Logistics Agency.

## Services

- \* Procurement hands-on counseling and technical support
- \* Full service bid matching via e-mail; automatic searches every business day for customized “key words” pertaining to your business
- \* Regular workshops on doing business with government agencies and related topics



# Hands-on counseling and technical support

The following is an illustration of the PTAC services.

- Basic requirements
- Registration
- Certifications
- Market research
- Marketing
- Business opportunities
- Proposal
- Post- award
- SBIR/STTR





# Outreach events

The following is an illustration of the PTAC training topics.

- How to become a GSA contractor
- Doing business with the government(webinar)
- Doing business with the State of California
- Government Capability Statement (Online Training)
- Marketing to the government
- Market Research

**In-person | Webinar | Online  
Training**



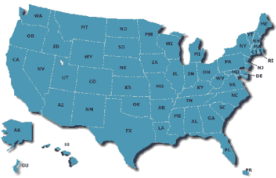
**WWW.RCCDPTAC.COM**

HOME ABOUT US GOVERNMENT CONTRACTING ASSISTANCE APTAC PARTNERS PTAC LOGIN CONTACT US

Find a PTAC

Select a State

Find a Procurement Technical Assistance Center  
Click on the map below or select your state above to  
find the Procurement Technical Assistance Center  
nearest you.  
[Find American Indian PTACs »](#)



ASSISTANCE FOR SMALL BUSINESSES

GET THE TRAINING YOU NEED TO SUCCEED

PTAC CLIENT SUCCESSSES

## HELP FOR GOVERNMENT CONTRACTING

Procurement Technical Assistance Centers (PTACs)  
**Free Help with SAM Registration** – and other  
government contracting issues.

System for Award Management (SAM) registration is **FREE**, and your PTAC can  
help you with this *and everything else you need* to sell to federal, state and local  
government agencies at little or no charge

- ▶ **Workshops and Matchmaking Events** teach you what you need to know  
and connect you with other businesses and agency buyers.
- ▶ **One-on-One Counseling** tailored to your specific needs – *always free* of  
charge!

Find your PTAC now! »

Free PTAC Day Webinar:

**Top Tips for Finding and Winning Government Contracts**  
(view recording and links)

see also APTAC's *Government Contracting Intelligence*  
blog.

*Hurricane/Disaster Contracting Resources*

## Contracting Success

In 2017, PTAC clients were  
awarded

**188,000 contracts**  
worth

**\$20 Billion**

[Learn More ▶](#)

More information about PTAC  
can be found on the following  
websites.

[www.aptac-us.org](http://www.aptac-us.org)

The PTACs are divided by  
geographic areas.

**DEFENSE LOGISTICS AGENCY**  
THE NATION'S COMBAT LOGISTICS SUPPORT AGENCY

HOME WHAT DLA OFFERS DOING BUSINESS WITH DLA ABOUT DLA CAREERS

## DLA Small Business

DLA Small Business Home  
Doing Business With DLA  
DLA Small Business Resources  
Procurement Technical Assistance  
Small Business Innovation Programs  
DLA Small Business Outreach Calendar  
About DLA Small Business  
Contact DLA Small Business

## PROCUREMENT TECHNICAL ASSISTANCE PROGRAM

The Procurement Technical Assistance Program was established to expand the number  
of business capable of participating in government contracts. The program is  
administered by DLA's Office of Small Business in cooperation with states, local  
governments and nonprofit organizations.

Under the program, Procurement Technical Assistance Centers (PTACs) help  
businesses pursue and perform under contracts with the Department of Defense, other  
federal agencies, state and local governments and with government prime contractors.  
Most of the assistance the PTACs provide is free.

PTAC support to businesses includes registration in systems such as the System for  
Award Management (SAM), identification of contract opportunities, help in understanding  
requirements and in preparing and submitting bids. Read reviews from businesses about the support they received from the  
PTACs.

The PTACs have a local presence in all 50 states, Washington, D.C., Puerto Rico and Guam. Other PTACs specialize in  
assistance to federally recognized Indian tribes and Alaska Native entities, their members and reservations throughout the  
country.

Learn more about how to use the Procurement Technical  
Assistance Program to connect businesses with the  
government

<http://www.dla.mil/SmallBusiness/PTAP/>

# PTAC Client's Requirements

- Have a business
- Business location: Riverside or San Bernardino counties
- Responsive and responsible
- Respond to our two surveys:
  - Contract awards – quarter report
  - Annual Customer Satisfaction Survey

*RCCD Office of Economic Development*  
3801 Market Street  
Riverside, CA 92501

Telephone: 951-571-6442

Email: [ptac@rccd.edu](mailto:ptac@rccd.edu)

Website: [www.rccdptac.com](http://www.rccdptac.com)







# Bidding, Scheduling, Estimating, and Fundamentals of Project Management

- Bidding - Key areas to focus attention
- Scheduling - Including all steps and problem areas
- Estimating - Limit, supplier restrictions, pre-purchase
- Basics of Project Management
  - Objective and outcome
  - Schedule and payment management
  - Labor/permit compliance
  - Project close-out

# Tom Holliman



- President/Managing Engineer for T.R. Holliman and Associates, Inc. (DBE/SBE)
- Professional Civil Engineer – State of California – C33018
- 40 years experience in planning, design, construction, operations of water, sewer, and recycled water pipelines
- Project Manager/Construction Manager for projects ranging from \$250K to \$50 M
- Previous Chief Engineer for Long Beach Water Department, WRD, East Valley Water District. Managing Engineer for Associated Engineers, Boyle Engineering, and Lee and Ro
- Bachelor of Science – Civil Engineering, University of Southern California
- Masters Degree – Business Administration, University of California - Irvine



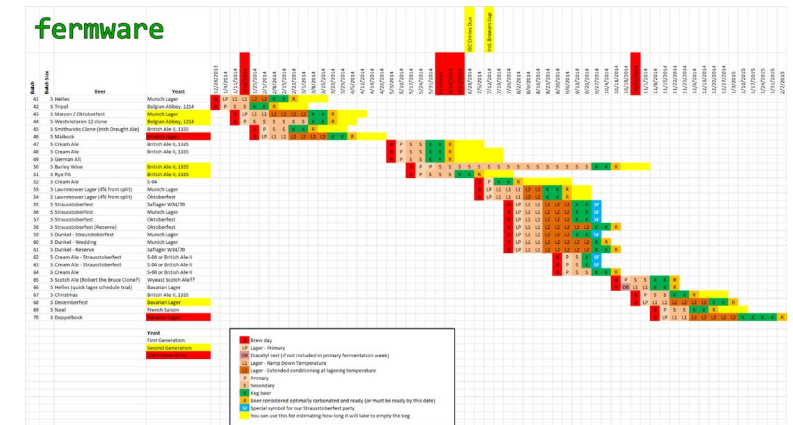
# Bidding

- Bid Items – lump sum, unit price, what's included?
- Addendums to bid set – quantity, time, quality, etc. changes
- Completeness – check your math, final adjustments to bid, authorized signatures (notarized? With proper endorsements?)
- References – review and contact to confirm good report
- Pre-purchased materials and/or equipment
- Insurance/bonding requirements
- Construction constraints – pre-bid walkthrough, pre-bid meetings
- Permit requirements
- Traffic control
- Storage/laydown areas – provided or rental cost
- Time to complete – other on-going work?
- Liquidated damages



# Scheduling

- Time to complete – working days, calendar days, non-working days (holidays, festivals, etc.)
- Permit acquisition
- Manufacturing time (witness tests?)
- Shop drawings – submittals and reviews (1<sup>st</sup> and 2<sup>nd</sup>)
- Certifications for materials and/or subcontractors
- Special equipment needs, availability, back-up plan
- Milestone requirements?
- Third party review – may be tied to funding sources
- Scheduling software – Microsoft Project, Primavera, etc. May be specified by Owner – update frequency/progress payments



# Estimating

- Know your mark-up limits on materials and subcontractors
- Prevailing wage vs. non-prevailing wage: Prime and Subs
- Supplier qualifications?
- Local preference or requirements for materials and subcontractors
- Sole source for materials or equipment?
- Special tools and equipment
- Rentals (delays or breakdowns)
- Shift differentials – overtime and weekend work
- Prevailing wage increases for long projects (more than 1 yr. – increases on January 1 each year)
- Overhead increases for long projects (more than 1 yr. – increases on January 1 each year)
- **Protect your profit!**



# Fundamentals of Project Management

- Objective of the project is to complete the work to the Owner's plans and specifications – and make a profit.
- Schedule – start with a good one
  - Monitor activities daily against schedule and adjust
  - Document changed conditions that will impact schedule (weather, strikes, delays, etc.), and notify Owner in writing ASAP
  - Complete and maintain daily work reports of people, equipment, materials used, work accomplished, and site visits. Take lots of pictures with time and date stamp (electronic and paper)
- Equipment Management
- Labor Compliance – Davis Bacon
- Permit Compliance – Reporting and Advance notifications
- Progress Payments – what is required, how long from submittal to payment (contract terms – did they comply? If not, potential claim for impacts), cash flow is critical





# Fundamentals of Project Management

- Record drawings – requirements for payments?
- Client reports – required?
- Funding source reports – required?
- Project close-out
  - As-built drawings
  - O&M Manuals and spare parts
  - Permit close out
  - Lien releases from material supplies and subcontractors
  - Bond releases (payment bond after 30-45 days, performance after 1 year post acceptance).





[tomh@trholliman.com](mailto:tomh@trholliman.com)





# Third Party Funds & Change Orders

## Third Party Funds

- What are 3<sup>rd</sup> Party Funds?
- How does that impact my bidding, construction, and close-out?

## Change Orders

- What is a change order?
- How to process change orders
- How funding sources may impact change orders
- What to do when you can't get agreement



# Tom Holliman



- President/Managing Engineer for T.R. Holliman and Associates, Inc. (DBE/SBE)
- Professional Civil Engineer – State of California – C33018
- 40 years experience in planning, design, construction, operations of water, sewer, and recycled water pipelines
- Project Manager/Construction Manager for projects ranging from \$250K to \$50 M
- Previous Chief Engineer for Long Beach Water Department, WRD, East Valley Water District. Managing Engineer for Associated Engineers, Boyle Engineering, and Lee and Ro
- Bachelor of Science – Civil Engineering, University of Southern California
- Masters Degree – Business Administration, University of California - Irvine



# Third Party Funds and Change Orders

## Third Party Funds – OPM (Other People's Money)

- Definition
- Implications for bidding
- Implications for construction
- Implications for project close-out and final payments



## Change Orders – No. 1 area for disagreements

- What is a change order?
- Documentation
- Notifications
- Resolution/Arbitration



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# Third Party Funds

Third Party Funds – OPM (Other People's Money)

## What are Third Party Funds?

### Definition

- Funding being provided by another entity other than the Owner of the Project (customer fees, water rates, etc.)
- Types:
  - Bonds – General Obligation Bonds secured by Owner, Local Bonds usually approved through local voters, State Bonds administered through the State of California – i.e. State Education Bonds), Federal Bonds
  - Loans (State or Federal) – State Revolving Loan (SRF) loans, School direct loans,
  - Subsidies (MWD LRP)



# Third Party Funds

Third Party Funds – OPM (Other People's Money)

What are the impacts on bidding?

- Davis-Bacon Act – prevailing wages (Federal funds, and most State funds)
- Approval of award required by bond agency
- Bond covenants
- Local preferences
- Buy American
- DBE/SBE/MBE/WBE requirements



# Third Party Funds

Third Party Funds – OPM (Other People's Money)

What are the impacts on construction?



- Davis-Bacon Act– prevailing wages (Federal funds, and most State funds), Monthly audits for compliance for progress payments
- Approval of award required by bond agency for change orders over \$\$\$\$
- Scope changes and OPM approvals
- Limits on time to expend funds (time extensions)
- Buy American - substitutions
- DBE/SBE/MBE/WBE requirements – Non-performing – change outs



# Third Party Funds

Third Party Funds – OPM (Other People's Money)

What are the impacts on Project close-out and final payments?

- Davis-Bacon Act – prevailing wages (Federal funds, and most State funds)
- Approval of award required by bond agency
- Bond covenants
- Local preferences
- Buy American
- DBE/SBE/MBE/WBE requirements



# Change Orders

Change Orders – No. 1 area for disagreements

- What is a change order?
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# Change Orders

Change Orders – No. 1 area for disagreements

What is a change order?

In project management, change orders are also called variations or variation orders. Any modification or change to works agreed in the contract is treated as a variation. These modifications can be divided into three main categories

- Addition to the work agreed in the contract.
- Omission to work agreed in the contract.
- Substitution or alteration to work agreed in the contract.

# Change Orders

## Change Orders – No. 1 area for disagreements

### What is a change order?

Common causes for change orders to be created are:

- Delays – weather, owner, regulatory agencies, etc.
- The project's work was incorrectly estimated
- The customer or project team discovers obstacles or possible efficiencies that require them to deviate from the original plan
- The customer or project team are inefficient or incapable of completing their required deliverables within budget, and additional money, time, or resources must be added to the project
- During the course of the project, additional features or options are perceived and requested

If the contractor has to add work items to the original scope of work at a later time in order to achieve the customer's demands, a fair price for the work items and fees must be added for the materials and labor.

# Change Orders

Change Orders – No. 1 area for disagreements

What is a change order?

- A project manager then typically generates a change order that describes the new work to be done (or not done in some cases), and the price to be paid for this new work. If there are impacts to the schedule the adjustment will include both price and time to complete.
- Once this change order is submitted and approved it generally serves to alter the original contract such that the change order now becomes part of the contract.

# Change Orders

- Change Orders – No. 1 area for disagreements
  - What is a change order?
  - Documentation
  - Notifications
  - Resolution/Arbitration



# Change Orders

## Change Orders – No. 1 area for disagreements

### Documentation

- Required documentation usually called out in contract documents
- Description of the changed condition
- Cost impact of the change
- Schedule impact of the change
- Justification –
  - Outside of scope
  - Unforeseen change – underground utilities, soil conditions
  - Strikes, manufacturer bankruptcies, company mergers and acquisitions
  - Owner request
  - Permit provider requirement change – new regulations or laws since award
  - Third Party Funding Source – requirement change (i.e. no MBE to MBE after award)



# Change Orders

Change Orders – No. 1 area for disagreements

- What is a change order?
- Documentation
- **Notifications**
- Resolution/Arbitration



**IMPORTANT NOTICE**

# Change Orders

Change Orders – No. 1 area for disagreements

## Notifications

- Who to notify?
- When to notify?
- Working without resolution or approval, when acceptable (health and safety)
- How to notify?
  - Procedures laid out in contract documents
  - Standard of practice in the region and industry
- How long for approval or rejection – outlined in contract

# Change Orders

Change Orders – No. 1 area for disagreements

- What is a change order?
- Documentation
- Notifications
- Resolution/Arbitration



# Change Orders

## Change Orders – No. 1 area for disagreements Resolution/Arbitration

- When you cannot agree on the cost or the time, now what?
  - Continue under protest (health and safety)
  - Appeal process (staff rejection, other options then?)
  - Binding arbitration vs. non-binding arbitration
  - Litigation (if no arbitration provisions)





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