



Edwin M. Lee,  
Mayor

Michelle Ruggels,  
Director of DPH Business Office

**MEMORANDUM**

March 2, 2017

TO: Commissioner Cecilia Chung, Chair  
Members of the Health Commission Finance and Planning Committee

THROUGH: Greg Wagner, CFO, Department of Public Health 

FROM: Michelle Ruggels

**RE: Administrative Code, Chapter 6 Contracting**

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Included in both the upcoming (March) Monthly Contracts Report and Summary of Contract Request to the Health Commission are requests to approve multiple vendors which are participating in the Department's "Chapter 6" contracting program. The purpose of this memo is to provide an overall understanding of this process, as well as to seek further guidance moving forward, in terms of future presentations to the Health Commission for these vendors.

While most non-enterprise departments must work through the Department of Public Works (DPW) to maintain their buildings, section 6.69 of the San Francisco Administrative Code gives DPH its own limited contracting authority to maintain or repair health facilities under its jurisdiction without going through DPW. Every three years, the DPH Contracts Unit solicits vendors, by trade, via a Request for Qualifications process (RFQ), resulting in multiple master contracts covering multiple trades and with multiple vendors. Each master contract has a maximum expenditure threshold, shared among all the vendors participating in that master contract. Vendors are not guaranteed a minimum amount of work. When a maintenance or repair task arises, DPH facilities staff request three quotes from the master agreement contract vendors, and award the task to the lowest responsive vendor.

In December, 2016, the DPH Contracts Unit concluded the process for two RFQ's, covering 18 specific trades, and one RFQ to obtain General Contractors. Each qualified vendor will receive its own contract to provide the services within the trade identified in its solicitation response, and as mentioned, will share the maximum expenditure threshold for that trade. Overall expenditures are monitored centrally to ensure the maximum threshold is not exceeded. The attached list provides detail for each RFP and each trade, and indicates if there has been any change in funding allocated to each trade between the new and prior solicitations.

In the March Health Commission agenda, vendors contracted to provide ongoing trades, i.e. trades that were solicited in prior solicitations, are included for approval in the Monthly Contracts Report, and the vendors associated with new trades, e.g. Low Voltage which has never been solicited, are presented in the Contract Request to the Health Commission format. Also included in the monthly submission is a list of all of the vendors who responded to the RFQ's. Under this model, as the new contracts are developed corresponding to each trade, these

proposed contracts would be brought to the Health Commission in the same manner. Alternatively, the Health Commission may choose instead to review the spending thresholds for each trade, and approve a single list of current and potential vendors for each trade at one time.

Summary of Chapter 6 Request for Proposal Outcome (March, 2017)

	Ongoing Service Function	New Service Function	Prior Funding Total	New Funding Total for Full Three-Year Term	Change	RFP Authorization Term
<b><u>RFQ 34-2016</u></b>						3/1/17-2/29/20
Glass Repair	X		600,000	600,000		
Carpentry	X		6,000,000	4,500,000	-1,500,000	
Low Voltage		X	n/a	3,000,000		
Painting	X		1,800,000	1,800,000		
<b><u>RFQ 35-2016</u></b>						3/1/17-2/29/20
Mechanical	X		1,200,000	1,200,000		
Plumbing	X		900,000	900,000		
Concrete	X		450,000	450,000		
Roofing	X		900,000	2,100,000	1,300,000	
Fire Curtain	X		600,000	300,000	-300,000	
Flooring	X		1,350,000	1,350,000		
<b><u>RFQ 36-2016</u></b>						3/1/17-2/29/20
Electrical	X		5,250,000	5,250,000		
Pigeon Abatement	X		450,000	300,000	-150,000	
Landscaping	X		750,000	750,000		
Air Duct	X		1,200,000	600,000	-600,000	
Fire Rated Doors	X		300,000	300,000		
Steam Cleaning	X		150,000	300,000	150,000	
Furnishing	X		150,000	300,000	150,000	
Motorized Doors and Gates	X		300,000	600,000	300,000	
Specialized Lamping		X	n/a	300,000		
<b><u>RFQ 37-2016</u></b>						3/1/17-2/29/20
General Contractor		X	n/a	6,000,000		