NOTICE OF AWARD OF CONTRACT

TO: HITTO CONTRACTING, INC.
2900 FAIRVIEW PARK DRIVE
FALLS CHURCH, VA 222042

DATE ISSUED: November 13, 2014
CURRENT REFERENCE NO: 737-13-3

JOB ORDER CONTRACTING

THIS IS A NOTICE OF AWARD OF CONTRACT AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.

Your firm is awarded the above referenced contract. The contract term covered by this Notice of Award is effective IMMEDIATELY and expires on NOVEMBER 20, 2015.

This is the SECOND year award notice of a possible THREE year contract.

The contract documents consist of the terms, conditions, and specifications of National Joint Powers Alliance Invitation to Bid No. VA103012 and Arlington County Agreement No. 737-13-3 including any exhibits, attachments and amendments hereto.

COUNTY AGENCIES OR OFFICES INTENDING TO USE THIS CONTRACT SHALL FOLLOW THE ATTACHED PROJECT JOB ORDER (WORK ORDER) ASSIGNMENT PROCESS. SEE ATTACHED PRICING SHEET.

CONTRACT PRICING:
• PRICING BASED ON PREDETERMINED ADJUSTMENT FACTOR. ADJUSTMENT FACTORS FOR EXTENSION OPTIONS IS BASED ON ECONOMIC PRICE ADJUSTMENT DERIVED FROM CONSTRUCTION COST INDICES (CCI) FOR BALTIMORE PUBLISHED IN THE ENGINEERING NEWS RECORD (ENR) FOR THE 12 MONTH PERIOD IMMEDIATELY PRIOR TO THE MONTH OF THE AWARD DATE

EMPLOYEES NOT TO BENEFIT:
NO COUNTY EMPLOYEE SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

VENDOR CONTACT: MICHELLE STUCKEY / THE GORDIAN GROUP
VENDOR EMAIL: m.stuckey@thegordiangroup.com
VENDOR PAYMENT TERMS: NET 30 DAYS

COUNTY CONTACT: RICH KRUMENACKER
COUNTY EMAIL: rkrumenacker@arlingtonva.us

VENDOR TEL. NO.: 571-328-0520
COUNTY TEL. NO.: 703-228-7593

CONTRACT AUTHORIZATION

Krzyszta Hepler, CPB
PRCUREMENT OFFICER

DATE: 12/02/2014

DISTRIBUTION

VENDOR: 1
BID FOLDER: 2
Contractor Selection Process

The County will maintain an active pool of Contractors under the Job Order Contract (JOC), and will assign work among the Contractors in accordance with the process outlined below. A Contractor may be temporarily removed from the active pool, or have their contract terminated, if the Contractor’s poor performance has been documented based on the Contractor Evaluation Surveys supported by documentation of performance issues.

If a Department believes that it is in the County’s best interest to assign a project to a specific Contractor, such request must be documented in writing and approved by Purchasing Agent or designee.

All supplemental job orders will be assigned to the same Contractor performing the base work except in the cases where poor performance has been documented.

Projects under $250,000

Projects with a construction estimate of less than $250,000 will be assigned to the Contractors in rotational order by the Gordian Group. The rotation will begin from the Contractor with the lowest coefficient and will be applied countywide.

- Project development process:
  1. The County identifies a project suitable for Job Order Contracting.
  2. The County enters basic project information at ezIQC.com or contacts Gordian Group by phone.
  3. Gordian will review the current contract dollars assigned, and any percentage for anticipated changes orders for the next Contractor in rotation. If the current dollars assigned and potential change orders are reaching current Commonwealth of Virginia limits, Gordian will go to the next Contractor in the rotation.
  4. The selected Contractor is contacted by Gordian Group within two (2) business days. Gordian Group informs the Contractor of a tentative project schedule. If the Contractor is unable to begin and complete work within the required timeframes, the project will be assigned to the next Contractor in rotation who can meet the schedule.
  5. Joint Scope Meeting is held by the County, the Contractor and Gordian Group to discuss project scope, details and agree upon a detailed project timeframe.
  6. A detailed scope of work is agreed upon by all parties and the final version prepared by the Contractor with assistance from Gordian Group.
  7. Based on the final scope of work, the Contractor submits the work proposal to Gordian Group within five (5) business days. Proposal pricing is based on Contractor’s CTC coefficient.
  8. Gordian Group reviews the proposal within three (3) business days from receipt, reviews work quantities proposed by the Contractor, identifies issues to be addressed and resolves them with the Contractor.
  9. When the Contractor’s proposal is acceptable, Gordian Group prepares a work order package, which includes the detailed scope of work, a detail schedule in GANT chart or P3 format with critical path highlighted, a listing of proposed subcontractors, the final price proposal, and the summary report of all dollars currently assigned to the Contractor under the County Contract.
The information package is sent it to the County within one (1) business day. The Contractor shall inform the County if subcontractors are changed after award; the County reserves right to reject any subcontractor that the County, in its sole discretion, does not consider qualified.

10. The County evaluates the Contractor's proposal and communicates any issues to Gordian Group.

11. After Contractor's proposal is approved, a County's Purchase Order authorizing the work is issued to the Contractor. The County emails the Purchase Order to Contractor and Gordian Group at PO@ezIOC.com and m.stuckey@thegordiangroup.com.

12. The Contractor will send the Purchase Order information to Gordian Group at PO@ezIOC.com and m.stuckey@thegordiangroup.com within forty eight (48) hours of PO receipt.

13. If the Contractor does not begin work within the specified timeframe, the award of the project will be terminated and the project will be assigned to the next Contractor in rotation who can meet the schedule.

14. All subsequent change orders will be priced through the CTC using the Contractor's coefficients.

15. After completion of the project, Gordian Group will send a survey to the County staff responsible for the project. Completion of the survey is mandatory and will aid in evaluating Contractor performance throughout the Contract Term.

- Arlington County will in good faith, attempt to maintain equitable dollar value among all selected Contractors. To maintain equity among Contractors, the Gordian Group will assign an additional project to the Contractor with the lowest dollar value of completed projects if the difference between the dollar values of completed projects since the initial award between the lowest and the highest Contractor is greater than twenty (20) percent, unless the discrepancy arose as a result of the lowest Contractor being passed in the schedule due to one of the reasons outlined below. Upon request, the Gordian Group will provide the Contractors with values of awards made to individual Contractors since the initial award.

- A Contractor may be passed in the schedule in one of the following situations. The below situations will not justify assigning an additional project to the Contractor when determining work value equity among Contractors:
  - If the Contractor’s poor performance has been documented based on the Contractor Evaluation Surveys supported by documentation of performance issues, following the process outlined in the Contractor Performance Evaluation section below,
  - If Gordian Group is unable to reach the Contractor within two (2) business days from project assignment, or
  - If the Contractor is unable to respond to work request and begin work within reasonable time limits specified in the work request.

- Any non pre-priced items required to complete the work will be negotiated between the County and the Contractor.

- The County's Purchasing Department will be randomly requesting field measurement data from Departments to assist the parties in assessing the future projects. If a project is found to contain unreasonable pricing, the Contractor will be passed over in the rotation, and such omission will not justify assigning an additional project to the Contractor when determining work value equity among Contractors.
Repeated pricing issues will lead to termination of the Contractor’s contract in accordance with the contract provisions.

**Projects over $250,000**

Projects with the construction estimate of over $250,000 will be awarded to Contractors based on the rotation process described for projects under $250,000. However, the County’s Purchasing Department must authorize in writing using the Job Order Contract for each project over $250,000 before the project development phase begins.

Projects under Job Order Contract are limited to $400,000 in value per project.

**Liquidated Damages**

The County may, in its own discretion, include provision for damages for failure to complete the work within the specified timeframe on selected schedule-critical projects:

- The amount of liquidated damages will be determined by the County before the project is assigned to a Contractor. This amount will be determined on a per calendar day basis.

- The County shall prepare a justification for the amount of liquidated damages for each project separately. This amount will reflect the expected costs that the County will incur if the project is not completed within the specified timeframes. The amount of liquidated damages will not be of punitive nature.

- Liquidated damages shall be assessed for each and every calendar day that the Contractor has not completed the work beyond the completion date specified in the Notice to Proceed for the project.

- County Departments do NOT have authority to waive liquidated damages.

- The Contractor shall have five (5) business days from the date of the County’s notification of assessment of liquidated damages to appeal this decision to the Arlington County Purchasing Agent.

- Arlington County Purchasing Agent will review the documentation of assessment of liquidated damages and appeal documents submitted by the Contractor and issue a final decision.

- The County shall be entitled to deduct liquidated damages against any sums owed by the County to the Contractor under this Contract.

**Contractor Performance Evaluation**

- After completion of each project, Gordian Group will send an e-mail survey to the County staff responsible for that project. Completion of the survey is mandatory and will serve to evaluate Contractor performance throughout the Contract Term.

- Gordian Group will compile the data across the projects and every three (3) months review the survey results.

- If the “poor” or “very poor” answers to the question regarding the County’s satisfaction with the Contractor exceed 20% within the three-month period, Gordian Group will contact the County staff who evaluated the Contractor performance as “poor” or “very poor” to verify and document Contractor’s poor performance.
• Gordian Group will then notify the Contractor in writing that performance issues have been documented and the Contractor will be passed in rotation.

• The Contractor shall have five (5) business days from the date of the notification to appeal this decision to the Arlington County Purchasing Agent.

• Arlington County Purchasing Agent will review the documentation of poor performance and appeal documents submitted by the Contractor and issue a final decision.

• Repeated documented performance issues will lead to termination of the Contractor’s contract in accordance with the contract provisions.