



# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Capital Improvement Committee

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Receive a Quarterly Report on Job Order Contracting from the Resource Management Agency-Public Works and Facilities for the period ending March 31, 2018.

### RECOMMENDATION:

It is recommended that the Capital Improvement Committee receive a Quarterly Report on Job Order Contracting from the Resource Management Agency-Public Works and Facilities for the period ending March 31, 2018.

### SUMMARY:

The Capital Improvement Committee (CIC) requested to receive quarterly reports on the Job Order Contracting (JOC) program managed by the Resource Management Agency (RMA). This quarterly report does not include information of JOC Programs managed by other agencies (e.g. NMC). RMA is currently managing 98 projects under 17 contracts:

- Six (6) 2015 JOC Contracts awarded on November 3, 2015 resulted in 83 projects totaling \$14,794,374. Attachment A tracks three (3) projects under construction issued through the 2015 JOC Contracts.
- Six (6) 2016 JOC Contracts awarded on November 15, 2016 resulted in 129 projects totaling \$16,290,816. Attachment B tracks seventy-nine (79) projects under construction issued through the 2016 JOC Contracts.
- Five (5) 2017 JOC Contracts awarded November 7, 2017 resulted in 21 projects totaling \$2,177,375. Attachment C tracks sixteen (16) projects under construction issued during this reporting period through the 2017 JOC Contracts.

During the reporting period of January 1, 2018 through March 31, 2018 RMA accomplished the following:

- 2015 JOC Contracts. One (1) project completed, no new job orders were issued.
- 2016 JOC Contracts. Forty-four (44) projects completed, no new job orders were issued.
- 2017 JOC contract. Two (2) projects completed and sixteen (16) new projects started.

Overall, project job orders completed via the JOC procurement process continue to exceed the County's Monterey Bay Area Local Employment goal. During this reporting period, the majority (93%) of the completed project job orders (44 out of 47) achieved a local employment goal of 50% or better. Cumulatively, the average local employment percentage during this reporting period was 85% (83 out of 98).

DISCUSSION:

For all the active and completed projects this quarter, Attachments A, and B and C summarize project information such as Job Order Value, Gordian Group fees, project status, project funding, and Local Employment compliance status. Attachment D summarizes applicable Gordian Group fees for JOC projects during this reporting period. Attachment E provides a summary of maximum JOC contract values for the 2015, 2016, and 2017 JOC Contracts, the total job order values to date and the remaining contract values. Attachment F provides contractor evaluations for all JOC projects completed during the quarter ending March 2018. Evaluations are a decision-making tool to determine a contractor's suitability for future JOC projects. During this reporting period, the average performance rating score of the contractor evaluations was 93% with all forty-seven (47) contractors achieving a performance score above 60%. Forty-two (42) of the forty-nine (47) completed project job order contracts achieved the County's 50% Monterey Bay Area Local Employment goal.

The Five-Year Capital Improvement Plan (CIP) is adopted yearly and tracks allocation of resources for projects with budgets over \$100,000. Projects under \$100,000 and emergency projects are not included in the Five-Year CIP. Projects implemented through the JOC Program include projects listed in the adopted Five-Year CIP; smaller maintenance and repair projects that are not specifically listed in the CIP but funded through established Unscheduled Maintenance Project budget or funded with outside Department funding; emergency projects that have secured funding; and new projects with secured funding for which Departments have sought Board approval to implement.

OTHER AGENCY INVOLVEMENT:

RMA-Public Works coordinates the preparation of Job Orders with RMA Finance and the Auditor-Controller.

FINANCING:

Funding for JOC projects is contained either within the approved budget allocations of: Fund 401 - Facilities Maintenance Projects; Funds 402/404 - Capital Projects; Fund 002 - Road Fund; the respective funds established for individual County Service Areas or County Sanitation Districts, or the individual department authorizing the project. Funding Sources for each JOC project are listed in Attachments A and B. The Gordian Group (TGG) fee is a 5% License Fee of each JOC project total value, and is payable by the County upon issuance of a Job Order to the JOC Contractor. TGG offers project management services for job orders as requested by the County for a set fee of 5.95% of the job order total value.

During the period of January 1 to March 31, 2018, Gordian License Fee and project management fees totaled \$875,134 or an overall average of 7% of the total construction contract value of \$12,926,278 during this reporting period. This fee is lower than the industry standard of 10% for Construction Management fees. TGG services allow the County to implement a higher volume of maintenance and repair projects which would otherwise not be possible due to limited project management staff time.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Job Order Contract (JOC) program helps with providing efficient and effective government operations by allowing improved processing for smaller and more urgent projects. The County has multiple documents to help identify and address critical infrastructure needs (Pavement Management Plan, ADA Transition Plan, Facility Asset Report, Municipal Climate Action Plan, etc.). Taking these documents into account, a 5-Year Capital Improvement Program is adopted each year to efficiently allocate resources for projects with budgets over \$100,000 to help sustain the infrastructure. The JOC program projects include improvements to health and safety facilities. Provision of adequate County facilities and infrastructure improves the quality of life for County residents and supports economic development results.

Economic Development

Administration

Health & Human Services

Infrastructure

Public Safety

Prepared by: Florence Kabwasa-Green, Project Manager II, (831) 755-4805

Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment A - 2015 JOC Program Active Projects Period Jan. 1 -Mar. 31, 2018

Attachment B - 2016 JOC Program Active Projects Period Jan. 1 -Mar. 31, 2018

Attachment C - 2017 JOC Program Active Projects Period Jan. 1 -Mar. 31, 2018

Attachment D - Gordian Group Fee Summary

Attachment E - Cumulative Summary of JOC Contract Values and Costs

Attachment F - Contractor Evaluations