



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 24-508

July 16, 2024

Introduced: 7/1/2024

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

- a. Adopt the County of Monterey 2024 Construction Task Catalogs, Job Order Contracting (JOC) 2024 - Roads & Bridges Project Specifications, JOC 2024 Emergency Response Work Project Specifications, JOC 2024 Traffic Striping and Signage Project Specifications, JOC 2024 - Facilities Project Specifications and County of Monterey 2024 Technical Specifications for JOC 2024, Project No. JOC 2024, Bid No. Roads & Bridges 2024-01, Bid No. Roads & Bridges 2024-02, Bid No. Roads & Bridges 2024-03, Bid No. Roads & Bridges 2024-04, Bid No. Roads & Bridges 2024-05, Bid No. Roads & Bridges 2024-06 and Project No. JOC 2024, Bid No. Emergency Response Work 2024-01, Bid No. Emergency Response Work 2024-02, and Bid No. Emergency Response Work 2024-03, and Project No. JOC 2024, Bid No. Traffic Striping and Signage 2024-01, Bid No. Traffic Striping and Signage 2024-02, and Project No. JOC 2024, Bid No. Facilities 2024-01, Bid No. Facilities 2024-02, Bid No. Facilities 2024-03, and Bid No. Facilities 2024-04;
- b. Authorize the Director of Public Works, Facilities and Parks to advertise for bids in the Monterey County Weekly; and
- c. Support lowest bid price as the basis of award for the FY 2024/25 JOC bids.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Adopt the County of Monterey 2024 Construction Task Catalogs, Job Order Contracting (JOC) 2024 - Roads & Bridges Project Specifications, JOC 2024 Emergency Response Work Project Specifications, JOC 2024 Traffic Striping and Signage Project Specifications, JOC 2024 - Facilities Project Specifications and County of Monterey 2024 Technical Specifications for JOC 2024, Project No. JOC 2024, Bid No. Roads & Bridges 2024-01, Bid No. Roads & Bridges 2024-02, Bid No. Roads & Bridges 2024-03, Bid No. Roads & Bridges 2024-04, Bid No. Roads & Bridges 2024-05, Bid No. Roads & Bridges 2024-06 and Project No. JOC 2024, Bid No. Emergency Response Work 2024-01, Bid No. Emergency Response Work 2024-02, and Bid No. Emergency Response Work 2024-03, and Project No. JOC 2024, Bid No. Traffic Striping and Signage 2024-01, Bid No. Traffic Striping and Signage 2024-02, and Project No. JOC 2024, Bid No. Facilities 2024-01, Bid No. Facilities 2024-02, Bid No. Facilities 2024-03, and Bid No. Facilities 2024-04;
- b. Authorize the Director of Public Works, Facilities and Parks to advertise for bids in the Monterey County Weekly; and
- c. Support lowest bid price as the basis of award for the FY 2024/25 JOC bids.

SUMMARY:

Recommended actions include the adoption of the 2024 County of Monterey JOC Task Catalogs for the JOC 2024 contracts (2024 JOC Program), advertising for bids (2024 JOC Program) and support lowest bid price as the basis of award for FY2024/25 JOC bids. Considering the many capital

projects slated for Fiscal Years (FYs) 2024-25 and 2025-26, it is recommended that six (6) Roads & Bridges, four (4) Facilities, and three (3) Emergency Response Work Job Order Contracts be issued each for \$6,023,368 with a minimum of \$25,000 worth of work that the Contractor has the opportunity to perform in each contract. An additional two (2) Traffic Striping and Signage Job Order Contracts are being added to the program for 2024 in the amount of \$2,000,000 each. The number of six (6) separate contracts for Roads & Bridges, three (3) Emergency Response Work, and four (4) separate contracts for Facilities remains the same as FY2023. The addition of Traffic Striping and Signage Job Order Contracts will allow for the County to more effectively manage routine road maintenance work, specifically for pavement striping and road sign work. Having this additional JOC will make contractors, who specialize in striping and signing work, more readily available. This also provides opportunities for smaller companies to compete, creating a more competitive bid atmosphere.

The JOC program, in addition to the added new Traffic Striping and Signage contracts, will be an important tool to implement the FY 2024/25 5-year Capital Improvement Plan (CIP). Continuing these services is a crucial component for being able to properly deliver on the construction of projects in the CIP or emergency response to disaster events.

DISCUSSION:

California Public Contract Code Section (PCC) 20128.5 provides that counties may award annual contracts for repair, remodeling, or other repetitive work to be done according to unit prices. This process is commonly referred to as JOC and is typically done by developing a construction task catalog that is then competitively bid. JOC improves economy and efficiency in completing many public works projects, including urgent and time sensitive projects. The County's JOC program was initially approved and established by the Board of Supervisors (Board) on September 17, 2013 pursuant to Board Resolution No. 2013-305 - Resolution Approving the Job Order Contracting Policy Guidelines and Authorizing Issuance of Job Orders Pursuant to Job Order Contracting Policy Guidelines. Per Board Resolution No. 2013-305 approved on September 17, 2013 and revised August 13, 2015 per Board Resolution No. 2015-227, said Policy Guidelines apply to all County departments and agencies that process Job Order Contracts and authorize the following Department Heads to process and approve Job Orders under JOC:

Director of the Public Works, Facilities and Parks Department (PWFP);
Chief Executive Officer of the Natividad Medical Center (NMC); and
Director of Information Technology Department (ITD).

In April 2013, the Board approved an Agreement between the County of Monterey and The Gordian Group, Inc. to provide the County with a JOC System. The Gordian Group, Inc. JOC System uses an extensive catalog of construction tasks and associated technical specifications containing over 260,000 individual items specifically designed for Monterey County. Per PCC Section 20128.5, the Board may award individual annual contracts which shall not exceed the statutory maximum contract value. Per PCC Section 20128.5, each awarded contract has a maximum contract value (MxCV) that is adjusted annually to reflect the percentage change in the California Consumer Price Index (CPI), for repair, remodeling, or other repetitive work to be done according to unit prices. The percentage change in the CPI is calculated and provided by the Department of Industrial Relations

(DIR). Per DIR's annual determination, the MxCV for JOC contracts was increased from \$5,797,275 in 2023 to \$6,023,368 in 2024. County JOC specifications provide for a one (1) year term with a minimum of \$25,000 worth of work that the Contractor has the opportunity to perform for each individual contract.

As was approved last year, for Facilities' Bids, staff recommends that the County require the successful bidders to furnish an initial payment bond and a performance bond for approximately Fifty Percent (50%) of the MxCV, each in the amount of \$3,011,684. If the aggregate Job Orders issued under the awarded contract exceeds \$3,011,684 an increase in the Payment and Performance bonds will be required in an amount not less than One Hundred Percent (100%) of the Maximum Contract Value (\$6,023,368). At no time may the sum of the issued Job Orders exceed the amount of the Payment and Performance bonds. The successful bidders are required to provide a letter from the bonding company stating their ability to obtain Payment and Performance Bonds for the Maximum Contract Value. The initial bonding requirement for Roads & Bridges' Contracts remains set at One Hundred Percent (100%) of the MxCV. The initial bonding requirement for Emergency Response Work Contracts will be set at One Hundred Percent (100%). Bonds shall remain in force for the duration of the annual contract term and until completion of all outstanding Job Order(s).

Since its inception in 2013, the JOC program has proven of value to PWWP by improving economy and efficiency in completing several public works projects, including urgent and time sensitive projects. Since 2013, the County has issued 1,701 JOC projects totaling \$169,952,924 (including 860 Roads & Bridges projects totaling \$105,089,672 and 841 Facilities projects totaling \$64,863,252). The JOC Program has enabled the County to implement a higher volume of maintenance, repair, and remodeling projects which would otherwise not be possible due to limited project management staff time.

A five percent (5%) License Fee to utilize the JOC Program is payable to The Gordian Group, Inc. only when a Job Order is issued to a JOC Contractor. Optionally, as needed, the County may utilize JOC Project Management services for an additional 5.95% fee. The Gordian Group, Inc. fees are contained in the overall eligible project budgets. The Gordian Group, Inc. hosts the JOC system and will require a separate agreement.

To date, the County has issued 1,701 JOC Projects totaling \$169,952,924. The Gordian Group, Inc. License Fee and project management fees totaled \$10,460,630 or an overall average of six and two-tenths percent 6.2% of the total construction contract value to date. This fee is lower than the industry standard of ten percent (10%) for Construction Management fees.

A "Notice to Bidders" will be duly advertised in a newspaper of general circulation per PCC 20150.8. JOC 2024 contracts are anticipated to be awarded in September 2024. Specific eligible projects have not yet been identified.

The County's JOC procurement process requires the PWWP to first seek Board approval to adopt plans and specifications and advertise for bids followed by a second request for Board approval to award selected contractors on basis of lowest bid price. PCC 20128.5 requires Board approval to award contracts to selected contractors.

Local Preference

The County Board of Supervisors has expressed its support for hiring local contractors on County construction projects to keep County dollars local and encourage a high standard of workmanship. Staff researched a Best Value Construction Contracting for Counties Pilot Program (Pilot Program) available to Monterey County as a potential alternative to the otherwise State-mandated lowest bid process to encourage use of local contractors. This Pilot Program was created by the State Legislature through SB 128. After review, staff determined the Pilot Program does not allow local-vendor preference to be used as a determining factor for award. The Pilot Program requires the following criteria be used if selecting a contractor based on best value (California Public Contract Code Section 20155.1.h):

- Financial Condition
- Relevant Experience
- Demonstrated Management Competency
- Labor Compliance
- Safety Record

In addition, the Pilot Program specifically states in Public Contract Code Section 20155.4:

...best value contractor shall not be prequalified or shortlisted unless the contractor provides an enforceable commitment to the county that the contractor and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project....

Using the Best Value Pilot Program requires the County to participate in or require contractors to enter into Project Labor Agreements which the County has not participated in, to date. The impact to the County's ability to utilize local vendors should the Best Value Pilot Program be implemented is unknown at this time. Under the current low-bid process, the PWFJ JOC program maintained a local vendor subcontractor rate of at least Fifty Percent (50%) across all JOC projects in FY 2024/25.

Staff recommends the Board find and approve lowest bid solicitations as the preferred process for the 2024/25 JOC awards. In absence of the award mechanism, staff will further encourage the awarded prime JOC contractors, to first subcontract to local vendors/subcontractors.

Following the selection of successful bidders, PWFJ recommends awarding six (6) separate Roads & Bridges Contracts, three (3) Emergency Response Work Contracts, two (2) Traffic Striping and Signage Contracts, and four (4) Facilities Contracts, and to allow PWFJ the option to use alternate contractors in the event that any of the selected contractors is/are deemed nonresponsive or has/have poor performance.

Any Job Order that would exceed \$1 million will be brought to the Capital Improvement Committee (CIC) and Budget Committee (BC) prior to issuing the Notice to Proceed. The contracts will apply to eligible projects during FYs 2024-25 and 2025-26. The individual annual JOC contracts will be issued for a 12-month contract period. Any capital and/or facilities maintenance repair project that falls into the following fiscal year will be budgeted. PWFJ will continue to provide quarterly JOC

status reports to the CIC which would include scope, cost, schedule, source of previously appropriated/expended funds, and contractor evaluations.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management, and Auditor-Controller's Office have reviewed and approved the Project Specifications as to form, insurance and indemnification, and fiscal provisions, respectively.

FINANCING:

The 2024 JOC Program would be active in FYs 2024/25 and 2025/26 (October 2024 through October 2025) and provide for fifteen (15) individual Job Order Contracts with a cap of \$6,023,368 for all but the two Traffic Striping and Signage contracts, capped at \$2,000,000 for a total of \$82,303,754. Expenditures will be within and not exceed the FY 2024-25 or FY 2025-26 Adopted Budgets. Funding for JOC projects, including applicable The Gordian Group, Inc. fees, is contained within the adopted FY 2024-25 budget allocations for various funds: Fund 404 - Capital Projects, Fund 002 - Road Fund, the respective County Service Area or County Sanitation District fund, and the individual department authorizing the project.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The JOC Program helps with providing efficient and effective government operations by allowing improved processing for smaller and more urgent projects. Monterey County has multiple documents to help identify and address critical infrastructure needs (Pavement Management Plan, Americans with Disabilities Act [ADA] Transition Plan, Facility Asset Report, Municipal Climate Action Plan, etc.). Taking these documents into account, a Five-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.

- X Economic Development
- X Administration
- X Health & Human Services
- X Infrastructure
- X Public Safety

Prepared by: John Snively, Administrative Operations Manager, (831) 759-6617

Reviewed by: Dave Pratt, Interim Capital Improvements Manager
 Florence Kabwasa-Green, Interim Chief of Facilities

Lindsay Lerable, Assistant Director of Public Works, Facilities and Parks

Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

DS


The following attachments are on file with the Clerk of the Board:

- Attachment A.1 - JOC 24 R&B Proj Spec
- Attachment A.2 - JOC24 R&B ERW CTC
- Attachment A.3 - JOC24 R&B ERW Tech Spec

Legistar File Number: 24-508

Attachment B - JOC24 ERW Proj Spec
Attachment C.1 - JOC24 TSS Proj Spec
Attachment C.2 - JOC24 TSS CTC
Attachment C.3 - JOC24 TSS Tech Spec
Attachment D.1 - JOC24 FAC Proj Spec
Attachment D.2 - JOC24 FAC CTC
Attachment D.3 - JOC24 FAC Tech Spec
Exhibit 1: Gordian General Terms Agmt
Exhibit 2: Contractor Evaluation
Exhibit 3: CDBG Std Provisions & Req
Exhibit 4: CalTrans LAPM 2024
Exhibit 5: FEMA Std Provisions & Req
Exhibit 6: County Cabling Specs
Exhibit 7.1: Notice to Bidders Eng
Exhibit 7.2: Notice to Bidders Esp