



Monterey County

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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 December 31, 2017.

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 December 31, 2017.

SUMMARY:

The Capital Improvement Committee (CIC) is asked to receive the Job Order Contracting (JOC) Quarterly Report for October 1 to December 31, 2017. This quarterly report includes projects continuing or completed under the six (6) 2015 JOC Contracts, the six (6) 2016 JOC Contracts, and the five (5) 2017 JOC Contracts that the Board of Supervisors awarded on November 3, 2015, November 15, 2016, and November 7, 2017, respectively. During the reporting period of October 1, 2017 through December 31, 2017:

- Twenty-Five (25) projects were completed under the 2016 JOC Contracts.
- Twenty-Three (23) new projects were started during the reporting period of October 1, 2017-December 31, 2017, all under the 2016 JOC Contracts.
New projects are identified in Attachment B

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, all the completed project job orders achieved a local employment goal of 50% or better. Cumulatively, the average local employment percentage during this reporting period was 91% (99 out of 108).

DISCUSSION:

Attachment A tracks three (3) projects under construction issued through the 2015 JOC Contracts. Attachment B tracks one hundred five (105) projects under construction issued through the current 2016 JOC Contracts. During the October 1 to December 31, 2017 reporting period, no new job orders were issued under the JOC 2015 contracts, twenty (23) job orders were issued under JOC 2016 contracts, and no new job orders were issued under current JOC 2017 contracts.

For all the active and completed projects this quarter, Attachments A, and B summarize project information such as Job Order Value, Gordian Group fees, project status, project funding, and Local Employment compliance status. Attachment C summarizes applicable Gordian Group fees for JOC projects during this reporting period. Attachment D 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 E provides contractor evaluations for all JOC projects completed during the quarter ending December 31, 2017. 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 95% with all twenty-five (25) contractors achieving a performance score above 60%. All twenty-five (25) of the 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 October 1, 2017 to December 31, 2017, Gordian License Fee and project management fees totaled \$1,042,117 or an overall average of 7% of the total construction contract value of \$15,855,053 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.

X Economic Development

X Administration

X Health & Human Services

X Infrastructure

X Public Safety

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Attachments:

Attachment A - 2015 JOC Program Active Projects Period Oct. 1 -Dec. 31, 2017

Attachment B - 2016 JOC Program Active Projects Period Oct. 1 -Dec. 31, 2017

Attachment C - 2017 JOC Program Active Projects Period Oct. 1 -Dec. 31, 2017

Attachment D - Gordian Group Fee Summary

Attachment E - Cumulative Summary of JOC Contract Values and Costs

Attachment F - Contractor Evaluations