



Monterey County

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Capital Improvement Committee

Legistar File Number: 16-529

May 16, 2016

Introduced: 4/27/2016

Version: 1

Current Status: Agenda Ready

Matter Type: General Agenda Item

- a. Review and consider the issuance of a Job Order Contracting (JOC) job order estimated to exceed \$1 Million for the Jail Security Improvements Project; and
- b. Support a recommendation to the Board of Supervisors to approve a Surety Rider to the Staples Construction Company, Inc.'s Payment and Performance Bond to change the Bond amount from Two Million Dollars to Four Million Five Hundred Ninety Thousand Three Hundred Forty Dollars to allow the contractor to access the \$4,590,340 Job Order 2015 Contract Agreement A-29184 cap.

RECOMMENDATION:

It is recommended that the Capital Improvement Committee:

- a. Review and consider the issuance of a Job Order Contracting (JOC) job order estimated to exceed \$1 Million for the Jail Security Improvements Project; and
- b. Support a recommendation to the Board of Supervisors to approve a Surety Rider to the Staples Construction Company, Inc.'s Payment and Performance Bond to change the Bond amount from Two Million Dollars to Four Million Five Hundred Ninety Thousand Three Hundred Forty Dollars to allow the contractor to access the \$4,590,340 Job Order 2015 Contract Agreement A-29184 cap.

SUMMARY/DISCUSSION:

The Capital Improvement Committee (CIC) is asked to review and consider the issuance of a pending JOC job order estimated to exceed \$1 Million for the Jail Security Improvements Project. The Resource Management Agency (RMA) also requests that the CIC support a recommendation to the Board of Supervisors to approve an increased Surety Rider for Staples Construction Company, Inc.'s (Staples) Payment and Performance Bonds to allow the contractor to access, but not to exceed the maximum contract value of \$4,590,340 under JOC 2015 Contract Agreement A-12984.

Adopted JOC Policy guidelines set the initial bonding level for each contract at \$2 Million and require that at such time that job orders issued are predicted to exceed the \$2 Million level, the Contractor is required to secure additional bonding for the Maximum Contract Value. JOC guidelines also state that *"Prior CIC review and consideration is required for Job Orders with a project value greater than \$1 Million per job order per contract."*

With adoption of the Fiscal Year 2015-16 Budget, initial funding for the Jail Security Improvements Project, Fund 402, was approved. Multiple phases of work are planned to be accomplished utilizing JOC, either all or in part, to expeditiously complete the work to meet

tight scheduling deadlines and stay within approved budgets. Phase 3 of the Jail Security Improvements Project addresses upgrades to the video surveillance system in the existing jail facility for which construction is estimated at \$2.4 Million. In order to issue this and additional job orders to Staples, it is necessary to approve the Surety Rider to their Performance and Payment Bonds at the full contract amount of \$4,590,340.

OTHER AGENCY INVOLVEMENT:

None.

FINANCING:

There is no additional impact to the General Fund. Funding for JOC projects is contained either within the approved budget allocations of Fund 401-Facilities Maintenance Projects; Fund 402-and Fund 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.

Prepared by: Dave Pratt, Project Manager II, (831) 796-6091

Approved by: Benny J. Young, RMA Interim Director of Public Works and Facilities

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

Dated: May 1, 2016

Attachments: Board Order File ID A 15-361 No.28 dated 11-4-2015; Surety Rider for Payment and Performance Bonds #106365221-Staples Construction Company, Inc.; Staples 2015 JOC Contract Agreement A-29184; 11/3/15