



Monterey County

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

Board Report

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August 27, 2019

Introduced: 8/8/2019

Current Status: RMA Public Works -
Consent

Version: 1

Matter Type: General Agenda Item

- a. Adopt the Monterey County 2019 Construction Task Catalogs, Job Order Contracting (JOC) 2019 - Roads & Bridges Project Specifications and JOC 2019 - Facilities Project Specifications, and Monterey County 2019 Technical Specifications for JOC 2019, Project No. JOC 2019, Bid No. Roads & Bridges 2019-01, Bid No. Roads & Bridges 2019-02, and Bid No. Roads & Bridges 2019-03, and Project No. JOC 2019, Bid No. Facilities 2019-01, Bid No. Facilities 2019-02, and Bid No. Facilities 2019-03;
- b. Authorize the Resource Management Agency (RMA) Director to advertise for bids in the Monterey County Weekly.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Adopt the Monterey County 2019 Construction Task Catalogs, Job Order Contracting (JOC) 2019 - Roads & Bridges Project Specifications and JOC 2019 - Facilities Project Specifications, and Monterey County 2019 Technical Specifications for JOC 2019, Project No. JOC 2019, Bid No. Roads & Bridges 2019-01, Bid No. Roads & Bridges 2019-02, and Bid No. Roads & Bridges 2019-03, and Project No. JOC 2019, Bid No. Facilities 2019-01, Bid No. Facilities 2019-02, and Bid No. Facilities 2019-03;
- b. Authorize the Resource Management Agency (RMA) Director to advertise for bids in the Monterey County Weekly.

SUMMARY:

Recommended actions include the adoption of the 2019 Monterey County Job Order Contracting (JOC) Task Catalogs for the JOC 2019 contracts (2019 JOC Program), and advertising for bids (2019 JOC Program). In light of the many capital projects slated for Fiscal Years (FYs) 2019-20 and 2020-21, it is recommended that three (3) Roads & Bridges and three (3) Facilities Job Order Contracts be issued each for \$4,949,291 with \$25,000 worth of work guaranteed in each contract.

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, commonly referred to as Job Order Contracting (JOC).

In April 2013, the Board of Supervisors approved an Agreement between the County of Monterey and The Gordian Group, Inc. to provide the County with a JOC System. The Gordian Group 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 \$4,904,581 in 2018 to \$4,949,291 in 2019. County JOC specifications provide for a one (1) year term with \$25,000 worth of work guaranteed for each individual contract.

County JOC specifications require Contractors to provide a letter from a bonding company stating their ability to obtain Payment and Performance Bonds for the MxCV. This year, for Facilities Bids, staff recommends that the County require the successful bidder to furnish an initial payment bond and a performance bond for approximately 50% of the MxCV, each in the amount of \$2,500,000. If the aggregate Job Orders issued under any of the awarded Facilities Contracts exceed \$2,500,000, an increase in the Payment and Performance bonds for the corresponding Facilities Contract will be required in an amount not less than 100% of the MxCV of \$4,949,291. The lower initial bonding requirement for Facilities Contracts is recommended to attract Contractors who may otherwise not bid on the Facilities projects due to the high bonding requirement relative to the guaranteed work of \$25,000. The initial bonding requirement for Roads and Bridges Contracts remains set at 100% of the MxCV because it is anticipated that Roads and Bridges Contractors may reach the MxCV cap earlier than Facilities Contractors. For Roads and Bridges Bids, successful bidders shall furnish payment bonds and performance bonds, each in the amount of the MxCV of \$4,949,291 which 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 RMA-Public Works, Parks and Facilities by improving economy and efficiency in completing several public works projects, including urgent and time sensitive projects. Since 2013, the County has issued 396 Job Order Contract projects totaling \$55,612,225 (including 197 Roads and Bridges projects totaling \$24,941,455 and 199 facilities projects totaling \$30,670,770). 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.

Following the selection of successful bidders, RMA-Public Works and Facilities recommends awarding three (3) separate Roads and Bridges Contracts and three (3) separate Facilities Contracts to allow RMA-Public Works and Facilities 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 and Budget Committee prior to issuing the Notice to Proceed. The contracts will apply to eligible projects during FYs 2019-20 and 2020-21. 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. RMA-Public Works & Facilities 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.

A five percent (5%) License Fee to utilize the JOC program is payable to the Gordian Group only if

and 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. Gordian fees are contained in the overall eligible project budgets.

To date, the County has issued 396 Job Order Contract Projects totaling \$55,612,225. The Gordian License Fee and project management fees totaled \$3,263,027 or an overall average of six percent (6%) 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 2019 contracts are anticipated to be awarded in November 2019. Specific eligible projects have not yet been identified.

The County’s JOC procurement process requires the RMA 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. PCC 20128.5 requires Board approval to award contracts to selected contractors.

OTHER AGENCY INVOLVEMENT:

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

FINANCING:

The 2019 JOC Program would provide for six (6) individual Job Order Contracts with a cap of \$4,949,291 for a total of \$29,695,746 - three (3) for Roads & Bridges and three (3) for Facilities. Expenditures will be within and not exceed the FY 2019-20 or FY 2020-21 Adopted Budgets. Funding for JOC projects, including applicable Gordian Group fees, is contained within the adopted FY 2019-20 budget allocations for various funds; Fund 001 - Facilities Maintenance Projects, Fund 402 - Capital Projects, Fund 404 - Facilities Master Plan 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 Job Order Contract (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

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

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

Attachment A.1 - Monterey County 2019 JOC Roads and Bridges Construction Task Catalog

Attachment A.2 - Monterey County 2019 Facilities Construction Task Catalog

Attachment B - JOC 2019 Roads & Bridges Project Specifications

Attachment C - JOC 2019 Facilities Project Specifications

Attachment D.1 - Monterey County 2019 JOC Roads and Bridges Technical Specifications

Attachment D.2 - Monterey County 2019 Facilities Technical Specifications

Exhibit 1: JOC System License and Fee Agreement

Exhibit 2: Contractor Evaluation

Exhibit 3: CDBG Standard Provisions & Requirements

Exhibit 4: Federal Provisions-Caltrans Local Assistance Manual

Exhibit 5: FEMA Standard Provisions and Requirements

Exhibit 6: Monterey County Cabling Specifications

Exhibit 7: Notice to Bidders