

COUNTY OF MONTEREY

JOB ORDER CONTRACTING (JOC)

POLICY GUIDELINES



COUNTY OF MONTEREY JOB ORDER CONTRACTING POLICY GUIDELINES

I. POLICY AND PROCESS OVERVIEW

The County of Monterey (County), through the Board of Supervisors (hereinafter "Board"), will conduct all Job Order Contracting (JOC) in accordance with these Policy Guidelines and the guiding principles and regulatory requirements of applicable Federal, State and County codes and regulations. The County's JOC program may be further guided by duly approved Board actions and policies.

II. PURPOSE AND SCOPE

The purpose and scope of these Policy Guidelines is to provide an overview of the general guiding principles and regulatory requirements that form the basic foundation of the County's JOC process. JOC can play a vital role in county contracting. The JOC process is an alternative procurement method to the typical competitive bidding process. JOC is an additional procurement vehicle intended to supplement the current procurement processes authorized by law for the use of those departments currently authorized to procure works of improvement for the County.

These Policy Guidelines, together with the resolution approving it, shall constitute the order of the Board of Supervisors required under California Public Contracts Code Section 20128.5. In accordance with Section 20128.5, no job shall be performed under a job order contract approved by the Board, except as approved by persons authorized by the Board, acting in accordance with these Policy Guidelines.

Public Contract Code section 20128.5. Repair, remodeling, or other repetitive work on county buildings provides:

Notwithstanding any other provisions of this article, the board of supervisors may award individual annual contracts, none of which shall exceed three million dollars (\$3,000,000), adjusted annually to reflect the percentage change in the California Consumer Price Index, for repair, remodeling, or other repetitive work to be done according to unit prices. No annual contracts may be awarded for any new construction. The contracts shall be awarded to the lowest responsible bidder and shall be based on plans and specifications for typical work. No project shall be performed under the contract except by order of the board of supervisors, or an officer acting pursuant to Section 20145.

For purposes of this section, "unit price" means the amount paid for a single unit of an item of work, and "typical work" means a work description applicable universally or applicable to a large number of individual projects, as distinguished from work specifically described with respect to an individual project.

For purposes of this section, "repair, remodeling, or other repetitive work to be done according to unit prices" shall not include design or contract drawings.

The Attorney General provides further guidance:

A "job order contract" (JOC) is a competitively bid, firm fixed price, indefinite quantity contract for the performance of minor construction, as well as the renovation, alteration, painting, and repair of existing public facilities. A JOC... is bid and awarded prior to the identification of any specific projects to be performed. Thus, a typical JOC involves a variety of tasks such as the remodeling, renovation, and repair, including roofing, electrical, plumbing, and painting, of all of a public agency's buildings for a period of years.

A JOC is a fixed price agreement in the sense that it is based upon specified charges contained in a unit price book (prepared by the public agency or by independent commercial sources) setting forth detailed repair and construction tasks, including task descriptions, specifications, units of measurement, and unit prices for each task. A contractor's bid is expressed in terms of a percentage of the specified book charges such as 115 percent or 125 percent. The book is then used to determine the costs of each proposed project during the term of the contract.

III. APPLICATION AND RESPONSIBILITY

These Policy Guidelines apply to all applicable County departments and agencies that process Job Order Contracts. The Board hereby authorizes the following Department Heads to process and approve Job Orders (as defined below) under JOC:

Director of the Resource Management Agency (RMA);

Director of Public Works;

Director of the Parks Department;

Chief Executive Officer of the Natividad Medical Center (NMC).

Director of the Information Technology Department, limited to stand-alone, low voltage cabling projects and associated, incidental electrical work.

Additionally, the Contracts-Purchasing Officer shall also be authorized to approve Job Orders in cases of emergency only. The head of each Department and Agency (hereinafter referred to as "Department Heads") authorized to process the JOC shall designate a departmental Project Manager (PM) responsible for ensuring compliance with the provisions of this Policy for any given project. All references to Project Manager or PM refer to the County's Project Manager unless indicated otherwise.

IV. JOC OVERVIEW

A. Definitions

1. Job Order Contract. A Job Order Contract (hereinafter referred to as JOC) is an indefinite quantity contract pursuant to which the Contractor will perform a variety of projects, consisting of specific construction tasks. The scope of JOC is for repair, remodeling and other repetitive related work. The JOC is publicly bid pursuant to the Public Contract Code. The County intends to publish annually one or more Construction Task Catalogues® (CTC)

containing a series of construction tasks with preset Unit Prices. All Unit Prices are based on experienced labor and high quality materials, specifically considering local labor, material and equipment prices, including the current prevailing wages. The Contractor will bid Adjustment Factors (the Contractor's competitively bid price adjustment to the Unit Prices as published in the Construction Task Catalog®) to be applied to the Unit Prices. The price of an individual project will be determined by the County multiplying the preset Unit Prices and the appropriate quantities by the appropriate Adjustment Factor.

2. Job Order. A Job Order is a document signed by the County that describes the work to be accomplished for any given project that is authorized under an awarded JOC. Each Job Order will include a Detailed Scope of Work, a firm fixed price, a time duration for the completion of the work and any special conditions that might apply to that specific Job Order, such as liquidated damages. (Also collectively referred to as 'Job Order Documents').

B. Construction Task Catalog®. The JOC includes a Construction Task Catalog® (CTC). The CTC is a comprehensive listing of the various components/ segments of labor, material, and equipment used to develop the cost of construction-related repair or refurbishment projects. The standard tasks are based on the use or experienced labor with high quality materials. All of the unit task prices are approved by the County and incorporate prevailing State wage and local materials cost data.

C. Adjustment Factor. The Contractor will bid Adjustment Factors to be applied to the Unit Prices in the CTC. The JOC may require more than one set of price adjustment factors to account for overtime work or different categories (such as size and value) of work. An "award criteria figure" (the sum of the Adjustment Factors) will be used to determine the lowest bidder. The award shall be made to the lowest responsible bidder.

D. Bidder's Meeting. Attendance at the bidder's meeting is mandatory for JOC Contract bidders. The bidder's meeting will be advertised as to time and location. The agenda of the bidder's meeting is usually to discuss the JOC concept, and to discuss JOC from the contractor's perspective. The County will also address and answer questions from the pre-bid conference through written addenda.

E. Selection of Contractor. The award of multiple JOC contracts will be used to maintain control over contractor performance, quality of work, and timely completion at controlled prices. Maintaining flexibility in the contractor selection process will optimize the County's control.

1. County is under no obligation to award work beyond the guaranteed minimum value to be established by the Board of Supervisors in the bid documents. County is under no obligation to award any specific number of Job Orders. However, as work and funds become available, job orders will be provided to each JOC Contractor as early in the JOC Contract period as feasible to satisfy the minimum value.

2. To the extent feasible, Job Orders will be distributed on a fair basis, having in mind the goal of meeting the needs of the County and rewarding good performance. Staff may apply criteria such as, but not limited to, timely and accurate performance of JOC processes, quality construction, timely completion of Job Orders and close-out, safety record, meeting project order goals, project specific requirements, and local employment participation. Each job order will be evaluated on the Contractor Evaluation form, attached as an exhibit to, and made a part of, these Policy Guidelines, as they may be amended from time to time.

F. Contract Value. The JOC has a maximum contract dollar value and a fixed contract term as set forth in PCC Section 20128.5, and as approved by the Board of Supervisors in the bid documents. The bid document may set a minimum order quantity.

G. Contract Term. The term of each Job Order Contract will be for one year, except that the JOC shall continue to cover Job Orders issued during that year until the work there under has been completed. Accordingly, all Job Orders must be issued, but need not necessarily be completed, within one calendar year of the commencement date of the Job Order Contract.

H. Insurance and Bonds. Insurance and payment and performance bond requirements will be established by the Board of Supervisors for the JOC. The selected Contractor will comply with these requirements as a condition of the JOC award.

I. Contractor Obligations/ Qualifications. Under the JOC, the Contractor furnishes management, labor, materials, equipment, and engineering support as required to perform the work covered by the applicable Job Order that is issued under the awarded JOC contract. Proper licenses are required at the time of bid for the JOC contract for the Contractor to be considered a responsive bidder.

J. Contractor Mobilization. The County will expect full contract performance from the start date of the Job Order Contract. The contractor must be fully operational and capable of starting work upon the initial award of the JOC. The Contractor is expected to commence mobilization activities as soon as practical after a Job Order award.

V. PROJECT MANAGEMENT

A. Job Order Process

1. Determination to use JOC. The authorized Department Head identified in section III above reviews a proposed project and initially determines an appropriate method to execute the project. Examples of methods include design-bid-build (competitive bidding pursuant to the Public Contract Code), JOC, force account or some other procurement method. The Board of Supervisors may revise the list of Departments and Agencies authorized in section III to issue Job Orders by subsequent amendment of these Policy Guidelines.

2. Criteria. As part of the Project Initiation process for a Job Order, the proposed work shall satisfy at least the following criteria:
 - a. The scope of work involves only repair, remodeling or other repetitive work.
 - b. The project is not new construction. JOC contractor is not performing design or contract drawings.
 - c. Compliance with California Environmental Quality Act (CEQA) has been verified (e.g., the work is either not a “project” under CEQA; the project has been determined to be categorically exempt; or other appropriate environmental review has been performed, such as a Negative Declaration or Mitigated Negative Declaration).
 - d. The project is consistent with an approved County capital improvements plan, or is scheduled or unscheduled maintenance.
 - e. All permits, including but not limited to building and storm water permits, have been obtained, or a determination that a permit is not needed has been made by the appropriate authority. The designated Project Manager will provide appropriate justification for this determination on the Project Initiation form.
 - f. The Job Order will be done with already approved plans and specifications prepared by a licensed architect, engineer or other design professional, or plans and drawings are not required. The designated Project Manager will provide appropriate justification for this determination on the Project Initiation form.
 - g. Appropriations and the availability of funds for the project have been confirmed.
3. Project Manager review. The project’s designated Project Manager is responsible for ensuring that these immediately preceding criteria have been satisfied prior to issuance of a Job Order.
4. Documenting Project Manager and Department Head review. Before a Job Order is initiated, the Project Manager shall document, and the authorized Department Head shall review and approve, that the above criteria are satisfied and that the work may be processed as a Job Order. The finance or budget manager/officer of the department using JOC to complete a project must execute the Project Initiation form to confirm appropriations and the availability of funds prior to scheduling a Joint Scope Meeting with the Contractor
5. Other Legal Requirements. The use of JOC is not intended to supersede any other legal requirements.
6. Job Order Development. Each Job Order must be approved by a Project Manager pursuant to the JOC Execution Procedures listed below in section VI. A Joint Scope Meeting is held with the contractor, PM, and the Gordian Group representative to review the scope of work. The duration of the project, and the amount of liquidated damages, if any, is determined during

Job Order development. A Request for Proposal (RFP) is then sent to the contractor. The contractor prepares and submits a Proposal Package. The PM and authorized Department Head will evaluate the Proposal Package, including the correct tasks and quantities, and determine if the JOC Contractor proposes to accomplish the detailed scope of work, including any specific project provisions, in an acceptable manner. If the JOC Contractor's price proposal is found to be reasonable, a Job Order may be issued at the agreed upon units which, when multiplied by the Unit Price and Adjustment Factor, will establish the firm-fixed price for the Job Order. Each Job Order issued will represent a separate contractual obligation to be performed under the terms and conditions, fixed unit rates, and price adjustment factors in the controlling JOC. These steps will be processed using eGordian[®], the Job Order Contracting software, under a license provided by The Gordian Group, Inc.

7. Non-Prepriced Items. These are units of work that are not included in the Construction Task Catalog[®] but which are within the general scope and intent of this Contract. The costs associated with non-Prepriced items are established in the General Conditions in the Project manual.
8. Sub-Contractor(s). Because a Job Order Contract (JOC) is an indefinite quantity contract pursuant to which Contractor will perform a variety of Job Orders, Contractor must designate Subcontractors, in accordance with California Public Contracts Code Section 4100 to 4113, inclusive, in each Proposal Package. As part of each Job Order Proposal Package, the awarded JOC Contractor shall provide a list of subcontractors, giving the name and location of place of business, license number, subcontract value, and any other information the County deems relevant, including bonding, of each subcontractor who will perform a portion of the Job Order work in an amount in excess of one-half of one percent of the Job Order Proposal. In each instance the nature and extent of the work to be subcontracted shall be described.

B. Emergency JOC Ordering. An emergency means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services. Once an emergency has been declared by the responsible County agent, and pursuant to laws governing an emergency condition, the following procedure outlined below identifies the steps in the processing of an emergency job order:

1. Using eGordian[®], the Project Manager (PM) for the appropriate Department/Agency, arranges and conducts a Joint Scope Meeting with the Contractor. The PM shall provide the Contractor with information on the trades that may be involved in dealing with the particular emergency so that the Contractor can invite the appropriate subcontractors if necessary.
2. The PM prepares the Notice to Proceed for an emergency project with a not-to-exceed amount and obtains the required signatures from the designated

Department Head. (See “5” below for signature authority during non-business hours.)

3. The PM and the Contractor determine the tasks and quantities to remedy the Emergency while at the site. The tasks and quantities shall be limited to the work required to protect the public’s health, safety and/or welfare and to give the Monterey County staff the time necessary to develop a long term solution to the problem.
4. The PM obtains the approval of the designated Department Head and gives the Contractor the signed Notice to Proceed on an Emergency Project at the site with the scope of work. The PM keeps a copy for the file. The Contractor shall begin work immediately after receiving the duly executed Notice to Proceed on an Emergency Project.
5. For emergencies after hours, weekends, or County holidays, the Department Head will designate specific staff to exercise authority to address emergency projects. The signatures of the designated Department Head will be obtained by the Project Manager on the next business day.
6. No later than the next business day, the PM develops and enters the RFP and detailed scope of work into eGordian[®] based on the data gathered during the Joint Scope Meeting.
7. The PM issues the eGordian[®] Scope of Work and RFP to the Contractor.
8. Contractor prepares the proposal.
9. The process continues with Step III and IV of the JOC Execution Procedures Outlined in Section VI of the Project Manual for review and final approval.

C. Capital Improvement Committee (CIC) Reporting, Review and Consideration

1. Departments using JOC shall provide a quarterly report to the CIC of all projects completed and all future projects planned to be completed with JOC program, regardless of pricing.
2. The quarterly reports shall include such information as will allow the CIC to assess the overall effectiveness of the JOC program, such as (but not limited to) the following: number of job orders issued, value of job orders issued, Contractor and subcontractor names, number of Contractor evaluations completed, level of attainment of aspirational goals of the County (for example, local hire requirements), and such other information as the Department head deems useful or helpful.
3. Prior CIC review and consideration is required for Job Order with a project value greater than \$1,000,000 per Job Order per Contract.
4. Use of JOC shall be consistent with the County Five-Year Capital Improvement Plan.

VI. JOC EXECUTION PROCEDURES. Once the Department Head has authorized the use of JOC for a specific project, the overall Job Order execution procedures shall adhere to the following process:

Step I: Project Initiation	Forms
<ul style="list-style-type: none"> • Department Head reviews project and determines most appropriate method to execute project. • If project assigned to JOC, Project Initiation Form is filled out by the designated Project Manager. All criteria will be reviewed by Project Manager. • The estimated duration of the project and the amount of liquidated damages, if any, is determined. • Project Initiation Form submitted to the designated Department Head and the department’s finance or budget manager/officer (designated “Finance” on the signature line on forms) for review and signatures. • Once appropriate signatures are obtained, Project Initiation Form is submitted to The Gordian Group (TGG) for project creation in the eGordian® software. • TGG creates a Job Order project in eGordian®, prints a Job Order Checklist and starts a Project File. 	<p style="text-align: center;">Project Initiation Job Order Checklist</p>
Step II: Project Development	Forms
<ul style="list-style-type: none"> • TGG/designated PM schedules a Joint Scope Meeting with all appropriate parties and sends a Joint Scope Invitation and Initial Scope of Work to JOC Contractor. • TGG/designated PM clearly reviews the Scope of the project with the Contractor at the Joint Scope Meeting. • TGG creates Joint Scope Minutes and issues as appropriate. • Based on the Joint Scope Meeting, TGG/designated PM updates the Initial Scope of Work and the Estimate (if necessary). • TGG prepares and issues the Request for Proposal (RFP) and submits to the Contractor with an updated Scope of Work. 	<p style="text-align: center;">Joint Scope Invitation Initial Scope of Work Joint Scope Minutes Request for Proposal</p>
Step III: Proposal Development and Review	
<ul style="list-style-type: none"> • Contractor prepares Proposal Package based on RFP and updated Scope of Work. • Contractor submits Proposal Package to TGG through eGordian® • TGG/designated PM reviews the Proposal Package and work with the Contractor to make any required changes. 	<p>Proposal Package:</p> <ul style="list-style-type: none"> ▪ Cost Proposal ▪ NPP Backup ▪ Subcontractor List ▪ Duration Schedule ▪ Drawings/Submittals

<p>Step IV: Project Approval</p> <ul style="list-style-type: none"> • When the parties are satisfied with the Proposal Package, TGG approves proposal in eGordian® and updates the Scope of Work (if necessary). • TGG creates and submits Contractor’s Cost Proposal and Final Scope of Work to Contractor for signature. • Contractor signs forms and returns to TGG/designated PM. • TGG creates and submits Job Order Authorization and TGG Invoice to designated PM. • Designated PM signs forms and obtains signatures from the Department Head, Contracts/Purchasing Officer and the department’s finance or budget manager/officer (designated “Finance” on the signature line on forms). • TGG/designated PM creates a Notice To Proceed, obtains signature and issues NTP to Contractor 	<p>Job Order Authorization Final Scope of Work Cost Proposal Summary TGG Invoice Notice to Proceed</p>
<p>Step V: Construction and Inspection</p> <ul style="list-style-type: none"> • Designated PM schedules and chairs a Pre-Construction Meeting with all appropriate parties. • Inspector inspects the work as appropriate. • Contractor requests partial payments as appropriate • Contractor requests final inspection. • The Department Head or their authorized designee issues a Completion Certificate when the Project is 100% complete 	
<p>Step VI: Payments</p> <p>A. Partial Payments</p> <ul style="list-style-type: none"> • Contractor submits a Certificate of Payment and calculation of completed Work • Designated PM reviews the project and verifies percentage complete and adjusts as appropriate. • Designated PM forwards Certificate of Payment to Accounts Payable • Accounts Payable processes payment and forwards to the Controller who sends the check to the Contractor. <p>B. Final Payments</p> <ul style="list-style-type: none"> • County will make one payment for all Job Orders that have a Job Order completion time of 30 days or less, or a Job Order Price of \$25,000 or less. • Contractor submits final Certificate of Payment once construction is 100% complete. • For projects in excess of 30 days or price in excess of 	<p>Certificate of Payment Certified Payroll Notice of Completion</p>

\$25,000, County retains 5% until at least 35 days after the Notice of Completion is filed.	
Step VII: Project Close-out	
<ul style="list-style-type: none"> • When the project is 100% complete including all Guarantees, Warrantees, O&M Manuals, As-Builts, etc., but prior to final payment, the Department Head or authorized designee records a Notice of Completion. • TGG/designated PM completes a Contractor Evaluation in eGordian[®] and retains copy in Project File for inclusion into quarterly reports to CIC. • TGG closes out the project in eGordian[®] and archives the Project File. • County staff determines if the particular contractor should be awarded further work based on its performance. 	Contractor Evaluation
Administration	
<ul style="list-style-type: none"> • CIC Tracking & Reporting 	Departmental staff using JOC shall report back to the CIC quarterly.

A. Forms

The forms (as they may be amended from time to time) attached hereto shall be used to implement the JOC program and specifically in the processing of Job Orders. If there is any discrepancy or conflict between the forms and the text of these Policy Guidelines, the text of these Policy Guidelines shall prevail.

B. Flow Chart

The flow chart on the following page is for illustrative purposes. If there is any discrepancy or conflict between the flow chart and the text of these Policy Guidelines, the text of these Policy Guidelines shall prevail.