



# Monterey County

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## Board Report

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- a. Award Roads & Bridges Job Order Contracts (JOC) for a term of one year, with a minimum contract value of \$25,000 and maximum contract value of \$4.659 million to the lowest responsive bidders as follows: 2016-01 Granite Rock Company; 2016-02 Granite Construction Company; and 2016-03 Newton Construction;
- b. Award Facilities Job Order Contract (JOC) for a term of one year, with a minimum contract value of \$25,000 and maximum contract value of \$4.659 million to the lowest responsive bidders as follows: 2016-01 Sea Pac Engineering Inc.; 2016-02 Staples Construction Company, Inc.; and 2016-03 Ausonio Incorporated;
- c. Approve the Performance and Payment Bonds for Roads & Bridges JOC in the amount of \$4,659,196 each by Granite Rock Company; Granite Construction Company; and Newton Construction;
- d. Approve the Performance and Payment Bonds for Facilities JOC in the amount of \$4,659,196 each by Sea Pac Engineering Inc.; Staples Construction Company, Inc.; and Ausonio Incorporated; and
- e. Authorize the RMA - Interim Deputy Director of Public Works & Facilities to execute the Roads & Bridges and Facilities Job Order Contracts.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Award Job Order Contract Roads & Bridges 2016-01 contract to Granite Rock Company, the lowest responsible and responsive bidder for Roads & Bridges Project JOC, with a bid award criteria figure of 1.1481, for a term of one year, with a minimum contract value of \$25,000 and maximum contract value of \$4.659 million;
- b. Award Job Order Contract Roads & Bridges 2016-02 contract to Granite Construction Company, the lowest responsible and responsive bidder for Roads & Bridges Project JOC, with a bid award criteria figure of 1.1260, for a term of one year, with a minimum contract value of \$25,000 and maximum contract value of \$4.659 million;
- c. Award Job Order Contract Roads & Bridges 2016-03 contract to Newton Construction, the lowest responsible and responsive bidder for Roads & Bridges Project JOC, with a bid award criteria figure of 1.1950, for a term of one year, with a minimum contract value of \$25,000 and maximum contract value of \$4.659 million;
- d. Award Job Order Contract Facilities 2016-01 contract to Sea Pac Engineering Inc., the lowest responsible and responsive bidder for Facilities Project JOC, with a bid award criteria figure of 1.0697, for a term of one year, with a minimum contract value of \$25,000 and maximum contract value of \$4.659 million;
- e. Award Job Order Contract Facilities 2016-02 contract to Staples Construction Company Inc, the lowest responsible and responsive bidder for Facilities Project JOC, with a bid award criteria figure of 1.1473, for a term of one year, with a minimum contract value of \$25,000 and maximum contract value of \$4.659 million;

- f. Award Job Order Contract Facilities 2016-03 contract to Ausonio Incorporated, the lowest responsible and responsive bidder for Facilities Project JOC, with a bid award criteria figure of 1.1999, for a term of one year, with a minimum contract value of \$25,000 and maximum contract value of \$4.659 million;
- g. Approve the Performance and Payment Bonds executed and provided by Granite Rock Company in the amount of \$4,659,196;
- h. Approve the Performance and Payment Bonds executed and provided by Granite Construction Company in the amount of \$4,659,196;
- i. Approve the Performance and Payment Bonds executed and provided by Newton Construction in the amount of \$4,659,196;
- j. Approve the Performance and Payment Bonds executed and provided by Sea Pac Engineering Inc. in the amount of \$4,659,196;
- k. Approve the Performance and Payment Bonds executed and provided by Staples Construction Company Inc. in the amount of \$4,659,196;
- l. Approve the Performance and Payment Bonds executed and provided by Ausonio Incorporated in the amount of \$4,659,196; and
- m. Authorize the RMA - Interim Deputy Director of Public Works & Facilities to execute Job Order Contract Roads & Bridges 2016-01 with Granite Rock Company; Job Order Contract Roads & Bridges 2016-02 with Granite Construction Company; Job Order Contract Roads & Bridges 2016-03 with Newton Construction; Job Order Contract Facilities 2016-01 with Sea Pac Engineering Inc.; Job Order Contract Facilities 2016-02 with Staples Construction Company Inc.; and Job Order Contract Facilities 2016-03 with Ausonio Incorporated.

SUMMARY:

The recommended action allows for the issuance of three (3) one (1) year term Roads & Bridges JOC 2016 contracts and three (3) one (1) year term Facilities JOC 2016 contracts and approval of the Performance and Payment Bonds provided by the respective contractors.

DISCUSSION:

Public Contract Code Section 20128.5 provides that counties may award annual contracts for repair, remodeling, or other repetitive work to be done according to unit prices. This is commonly referred to as Job Order Contracting (JOC), and is typically done by developing a construction task catalog that is then competitively bid. JOC is an indefinite quantity contract pursuant to which the Contractor will perform a variety of projects consisting of specific construction tasks. JOC provides an alternative procurement method for completing public works projects which improves economy and efficiency in completing many public works projects, including urgent and time sensitive projects. The price of an individual project will be determined by multiplying the preset unit prices and the appropriate quantities by the appropriate adjustment factor. The adjustment factor will vary depending upon the location of the work, and the time at which the work will be performed (normal working hours versus other than normal working hours).

On April 9, 2013, the Board of Supervisors (Board) approved an Agreement between the County of Monterey and The Gordian Group, Inc. to provide assistance to the County in developing a JOC system. On September 17, 2013, the Board adopted the Monterey County JOC Policy Guidelines which constitute the Board order approving Job Order Contracts pursuant to California Public Contract Code Section 20128.5. On August 30, 2016, the Board



adopted the 2016 Monterey County JOC Task Catalogs for the JOC 2016 contracts (2016 JOC Program) and authorized advertising for bids.

The JOC 2016 Projects were duly advertised and bids were opened on October 6, 2016. The lowest responsive and responsible bidder, determined by the award criteria figure, for JOC Roads & Bridges 2016-01 was Granite Rock Company; for JOC Roads & Bridges 2016-02 was Granite Construction Company; for JOC Roads & Bridges 2016-03 was Newton Construction; for JOC Facilities 2016-01 was Sea Pac Engineering Inc.; for JOC Facilities 2016-02 was Staples Construction Company Inc; and for JOC Facilities 2016-03 was Ausonio Incorporated. Each Contractor has certified to make a good faith effort to employ Monterey Bay Area residents on each Job Order proposal in compliance with Section 5.08.120 of the Monterey County Code. Each contractor has an office located within the Monterey Bay Area.

For the Roads & Bridges JOC 2016 and Facilities JOC 2016, Resource Management Agency-Public Works and Facilities (RMA-PWF) recommends awarding six (6) contracts to six (6) separate contractors respectively to allow RMA-PWF the option to use the alternate contractors if a contractor is deemed nonresponsive or has poor performance as well as to enable parallel project work to be performed.

JOC 2016 contracts will be effective upon award and provide a 12-month period for the issuance of job orders. The 2015 JOC contracts will expire or will have reached, or are anticipated to reach, their Maximum Contract Value (MCV) at the time of issuance of the 2016 JOC contracts. RMA-PW plans to continue issuing job orders to enable the 2015 JOC contractors to attain their MCV to the extent practical. The JOC 2016 contracts awarded to each of the six (6) contractors pursuant to JOC offer a minimum contract value of \$25,000 and maximum value of \$4.659 million. Contractors were required to provide performance and payment bonds in the amount of the Maximum Contract Value of \$4.659 million in order to provide for JOC efficiency, maintain control of contractor performance, as well as limit potential risk to the County.

Per the JOC Policy, any Job Order that exceeds \$1 million will be brought to the Capital Improvement Committee (CIC) prior to issuance of a notice to proceed. RMA-PWF will provide quarterly JOC status reports to the CIC summarizing issued Job Orders, including scope, cost, schedule, and source of previously appropriated/expended funds. The JOC contracts will provide another mechanism to accomplish work that fits within the JOC guidelines. Projects that do not meet JOC criteria or are not a good fit for JOC will continue to be completed using other procurement processes, such as the typical design/bid/build process.

OTHER AGENCY INVOLVEMENT:

RMA-PWF coordinated preparation of the JOC process and the standard agreement language with Contracts/Purchasing, the Office of the County Counsel, Auditor-Controller, and Risk Management as to form and the required legal, fiscal, and insurance provisions. The Office of the County Counsel and the County Administrative Office Contracts/Purchasing Division attended the bid opening and reviewed all bids for conformance with applicable regulations. RMA-PWF reviewed the bids for responsiveness. The Office of the County Counsel, Auditor-Controller, and Risk Management have reviewed and approved the contract documents as to form and legality, fiscal terms, and insurance provisions, respectively.

FINANCING:

If approved, the six (6) JOC contracts, each with a minimum contract value of \$25,000 and maximum contract value of \$4.659 million, will be issued, for an aggregate cap total of \$27.96 million. JOC contracts are established for a term of one (1) year and cross fiscal years. JOC related expenditures incurred through June 30, 2016 are included in the FY2016-17 adopted budget in various funds. Staff will include FY2017-18 JOC estimated expenditures in the proposed FY2017-18 budget. FY2016-17 funding for JOC projects including applicable Gordian Group fees is contained either within the approved budget allocations of Fund 401-Facilities Projects; Fund 402-Capital Projects; and Fund 404-Facilities Master Plan 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. 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. In addition, as needed, the County may utilize Gordian Group JOC Project Management services for an additional 5.95% fee. Gordian Group fees are contained in the overall eligible project budgets. There is no known impact to the General Fund.

Prepared by: Florence Kabwasa-Green, Management Analyst II, (831) 755-4805

Approved by: Benny J. Young, Interim RMA Deputy Director of Public Works & Facilities *BJY*

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

Attachments:

Attachment A - Bid Summaries

Attachment B - JOC R& B 01 Granite Rock Agreement Packet

Attachment C - JOC R& B 02 Granite Construction Company Agreement Packet

Attachment D - JOC R& B 03 Newton Construction Agreement Packet

Attachment E - JOC FAC 2016-01 Sea Pac Engineering Inc Agreement Packet

Attachment F - JOC FAC 2016-02 Staples Construction Company Inc. Agreement Packet

Attachment G - JOC FAC 2016-03 Ausonio Incorporated Agreement Packet

Attachment H - JOC R& B 01 Granite Rock Bonds

Attachment I - JOC R& B 02 Granite Construction Company Bonds

Attachment J - JOC R& B 03 Newton Construction Bonds

Attachment K - JOC FAC 2016-01 Sea Pac Engineering Inc Bonds

Attachment L - JOC FAC 2016-02 Staples Construction Company Inc. Bonds

Attachment M - JOC FAC 2016-03 Ausonio Incorporated Inc. Bonds

(Attachments on file with the Clerk of the Board)