



County of Monterey

Item No.24

Board Report

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

Legistar File Number: A 22-533

October 11, 2022

Introduced: 9/30/2022

Current Status: Public Works, Facilities & Parks - Consent

Version: 1

Matter Type: BoS Agreement

- a. Award Roads & Bridges Job Order Contracts (JOC) for a term of one (1) year from date signed by County with a minimum contract value of \$25,000 and maximum contract value of \$5,402,865 to the following bidders: 2022-01 A. Teichert & Son, Inc. dba Teichert Construction; 2022-02 Papich Construction Company, Inc.; 2022-03 Granite Rock Company; 2022-04 Granite Construction Company; 2022-05 Edwards Construction Group, Inc.; and 2022-06 The Don Chapin Co., Inc.;
- b. Award Facilities Job Order Contracts (JOC) for a term of one (1) year from the date signed by County with a minimum contract value of \$25,000 and maximum contract value of \$5,402,865 to the following bidders: 2022-01 R.F. Koerber Inc.; 2022-02 Newton Construction & Management, Inc.; 2022-03 Angeles Contractor, Inc.; and 2022-04 Jacob Construction & Design, Inc.;
- c. Approve the Performance and Payment Bonds for Roads & Bridges JOC in the amount of \$5,402,865 each by A. Teichert & Son, Inc. dba Teichert Construction; Papich Construction Company, Inc.; Granite Rock Company; Granite Construction Company; Edwards Construction Group, Inc.; and The Don Chapin Co., Inc.;
- d. Approve the Performance and Payment Bonds for Facilities JOC in the amount of \$2,701,432 each by R.F. Koerber Inc.; Newton Construction & Management, Inc.; Angeles Contractor, Inc.; and Jacob Construction & Design, Inc.
- e. Authorize the Director of the Department of Public Works, Facilities, & Parks (PWFP) or the assigned designee to execute the Roads & Bridges and Facilities Job Order Contracts.
- f. Ratify the Director of PWFP determination that the bid package from R.F. Koerber Inc. was responsive upon receipt of the Public Contract Code Section 10232 Statement page which was confirmed to be a non-material administrative correction.
- g. Authorize the Director of PWFP or the assigned designee to approve future increases to Facilities JOC Performance and Payment Bonds up to the maximum contract value of \$5,402,865 for the following bidders: R.F. Koerber Inc.; Newton Construction & Management, Inc.; Angeles Contractor, Inc.; and Jacob Construction & Design, Inc. in consultation with the Office of the County Counsel.

RECOMMENDATION:

It is recommended that the Board of Supervisors approve the following items:

Award the following JOC Roads & Bridges Contracts to the lowest responsible and responsive bidders for a term of one (1) year from date signed by County with a minimum contract value of \$25,000 and maximum contract value of \$5,402,865:

- a. JOC Roads & Bridges 2022-01 Contract to by A. Teichert & Son, Inc. dba Teichert Construction, with a bid award criteria figure of 1.1100
- b. JOC Roads & Bridges 2022-02 Contract to Papich Construction Company, Inc., with a bid

award criteria figure of 1.1160

c. JOC Roads & Bridges 2022-03 Contract to Granite Rock Company, with a bid award criteria figure of 1.1080

d. JOC Roads & Bridges 2022-04 Contract to Granite Construction Company, with a bid award criteria figure of 1.1195

e. JOC Roads & Bridges 2022-05 Contract to Edwards Construction Group, Inc., with a bid award criteria figure of 1.1340

f. JOC Roads & Bridges 2022-06 Contract to The Don Chapin Co., Inc., with a bid award criteria figure of 1.1355

Award the following JOC Facilities contracts to the lowest responsible and responsive bidders for a term of one (1) year from the date signed by County with a minimum contract value of \$25,000 and maximum contract value of \$5,402,865:

g. JOC Facilities 2022-01 Contract to R.F. Koerber Inc. with a bid award criteria figure of 1.1155

h. JOC Facilities 2022-02 Contract to Newton Construction & Management, Inc., with a bid award criteria figure of 1.0860

i. JOC Facilities 2022-03 Contract to Angeles Contractor, Inc., with a bid award criteria figure of 1.1380

j. JOC Facilities 2022-04 Contract to Jacob Construction & Design, Inc., with a bid award criteria figure of 1.1222

Approve the following Performance and Payment Bonds for Roads & Bridges JOC in the amount of \$5,402,865:

k. Performance and Payment Bonds executed and provided by A. Teichert & Son, Inc. dba Teichert Construction

l. Performance and Payment Bonds executed and provided by Papich Construction Company, Inc.

m. Performance and Payment Bonds executed and provided by Granite Rock Company

n. Performance and Payment Bonds executed and provided by Granite Construction Company

o. Performance and Payment Bonds executed and provided by Edwards Construction Group, Inc.

p. Performance and Payment Bonds executed and provided by The Don Chapin Co., Inc.,

Approve the following Performance and Payment Bonds for Facilities JOC in the amount of \$2,701,432:

q. Performance and Payment Bonds executed and provided by R.F. Koerber Inc.

r. Performance and Payment Bonds executed and provided by Newton Construction & Management, Inc.

s. Performance and Payment Bonds executed and provided by Angeles Contractor, Inc.

t. Performance and Payment Bonds executed and provided by Jacob Construction & Design, Inc.

Authorize the Director of PWFP or assigned designee to execute JOC 2022 Contracts:

u. JOC Roads & Bridges 2022-01 with A. Teichert & Son, Inc. dba Teichert Construction; JOC Roads & Bridges 2022-02 with Papich Construction Company, Inc.; JOC Roads & Bridges 2022-03 with Granite Rock Company; JOC Roads & Bridges 2022-04 Granite Construction Company; JOC Roads & Bridges 2022-05 with Edwards Construction Group, Inc.; JOC Roads & Bridges 2022-06 The Don Chapin Co., Inc.; JOC Facilities 2022-01 with R.F. Koerber Inc.; JOC

Facilities 2022-02 with Newton Construction & Management, Inc.; JOC Facilities 2022-03 with Angeles Contractor, Inc.; and JOC Facilities 2022-04 with Jacob Construction & Design, Inc.

v. Ratify the Director of PWWP determination that the bid package from R.F. Koerber Inc. was responsive upon receipt of the Public Contract Code Section 10232 Statement page which was confirmed to be a non-material administrative correction.

w. Authorize the Director of PWWP or the assigned designee to approve future increases to Facilities JOC Performance and Payment Bonds up to the maximum contract value of \$5,402,865 for the following bidders: R.F. Koerber Inc.; Newton Construction & Management, Inc.; Angeles Contractor, Inc.; and Jacob Construction & Design, Inc. in consultation with the Office of the County Counsel.

SUMMARY:

On July 19, 2022, the Board adopted the Monterey County 2022 JOC Construction Task Catalogs and Project Specifications for the JOC 2022 Contracts (2022 JOC Program), authorized advertising for bids, and supported the lowest bid price as the basis of award. The JOC 2022 Bid Opening occurred on September 2, 2022 during which a total of seven (7) bids were received for Roads & Bridges and a total of six (6) bids were received for Facilities (see Attachment A).

Per the process set forth by the JOC 2022 Project Specifications, bids are evaluated by the Award Criteria Figure. Contractors presenting responsive and responsible bids with the lowest Award Criteria Figure will be awarded the contract.

The recommended action approves the award of six (6) Roads & Bridges JOC 2022 Contracts, four (4) Facilities JOC 2022 Contracts, and associated Performance and Payment Bonds provided by the respective contractors. In addition, this action will authorize the Director of PWWP or the assigned designee to approve, in accord with the Office of County Counsel, future increases to Facilities JOC Performance and Payment Bonds up to the maximum contract value of \$5,402,865. This recommendation reflects the six (6) lowest responsible and responsive bids for the Roads & Bridges Contracts and the four (4) lowest responsible and responsive bids for the Facilities Contracts. The JOC 2022 Contracts are for a term of one (1) year from the date signed by the County.

The current state and local JOC Policy Guidelines do not provide for selection based on local preference, and as a result of Board Order 22-639, adopted on July 19, 2021, staff recommended the Board find and approve lowest bid solicitations as the preferred process for 2022/23 JOC awards. However, as part of the bid package all prospective bidders are required to submit a "Certification of Good Faith Effort to Employ Monterey Bay Area Residents" and have a local office. PWWP staff reviewed and confirmed that the JOC contractors recommended for award, indeed have local offices with staffing.

DISCUSSION:

On July 19, 2022, the Board adopted the Monterey County 2022 JOC Construction Task Catalogs and Project Specifications for the JOC 2022 Contracts (2022 JOC Program), authorized advertising for bids, and support of lowest bid price as the basis of award.

The Department of Public Works, Facilities, & Parks (PWFP) followed the notification procedures outlined in the JOC Project Specifications for Roads & Bridges and Facilities. The JOC 2022 Projects were duly advertised. Seven (7) bids were submitted for Roads & Bridges; three (3) bids were submitted by contractors that have main offices within the Monterey Bay Area and four (4) bids were submitted by contractors that have main offices outside the Monterey Bay Area. Six (6) bids were submitted for Facilities; one (1) bid was submitted by a contractor with a main office within the Monterey Bay Area and five (5) bids were submitted by contractors with a main office outside of the Monterey Bay Area (Monterey, San Benito and Santa Cruz County). Bids were submitted by the following contractors:

JOC Facilities 2022

Angeles Contractor, Inc.*
City of Industry, CA

Newton Construction & Management, Inc.*
San Luis Obispo, CA

Staples Construction Company, Inc.
Ventura, CA

R.F. Koerber Inc.*
Paso Robles, CA

Jacob Construction and Design, Inc.*
San Luis Obispo, CA

Ausonio Incorporated
Castroville, CA

JOC Roads & Bridges 2022

Newton Construction & Management, Inc.
San Luis Obispo, CA

Edwards Construction Group, Inc.*
Santa Maria, CA

Granite Construction Company*
Watsonville, CA

Teichert & Son, Inc. dba Teichert Construction *
Pleasanton, CA

Granite Rock Company*
San Jose, CA

Papich Construction Company, Inc.*
Arroyo Grande, CA

The Don Chapin Co., Inc.*
Grover Beach, CA

* Note: lowest responsible and responsive bidders

The JOC 2022 Bid Opening was held on September 2, 2022 in the Board of Supervisors Chambers. Representatives from the Office of the County Counsel and the County Administrative Office Contracts/Purchasing Division were present, reviewed the bid packages submitted to verify completeness and announced the Award Criteria Figure for each bid.

In accordance with California Public Contract Code section 20128.5 and the JOC 2022 Project Specifications, contractors presenting responsive and responsible bids with the lowest Award Criteria Figure will be awarded the contract. Responsive and responsible bids are selected based on a review of the Award Criteria Figure as well as a review of the bid package for completeness to ensure the required certifications and documents set forth in the Project Specifications (Attachment V, Item 10) have been included. The Award Criteria Figure is a formula based on the adjustment factors applied to the Gordian's Monterey County 2022 JOC Construction Task Catalog unit prices. The adjustment

factors will vary depending upon the location of the work (north county or south county, general facilities or detention facilities), and the time at which the work will be performed (normal working hours or other than normal working hours, see Attachment V).

The lowest responsive and responsible bidders for JOC 2022, determined by the Award Criteria Figures are listed below. Proposed Roads & Bridges agreements are provided in Attachments B through G, and proposed Facilities agreements are provided in Attachments H through K. Associated performance and payment bonds are provided in Attachments L through U.

JOC Roads & Bridges:

- 2022-01 A. Teichert & Son, Inc. dba Teichert Construction
- 2022-02 Papich Construction Company, Inc.
- 2022-03 Granite Rock Company
- 2022-04 Granite Construction Company
- 2022-05 Edwards Construction Group, Inc.
- 2022-06 The Don Chapin Co., Inc.

JOC Facilities:

- 2022-01 R.F. Koerber Inc.
- 2022-02 Newton Construction & Management, Inc.
- 2022-03 Angeles Contractor, Inc.
- 2022-04 Jacob Construction & Design, Inc.

As a standard business practice, bidders are given twenty-four (24) hours to provide non-material, administrative corrections to their bid packet. One bidder, R.F. Koerber Inc., omitted the Public Contract Code Section 10232 Statement page. R.F. Koerber Inc. provided the missing document within twenty-four (24) hours from notification and was determined responsive after receipt of the Public Contract Code Section 10232 Statement page which was confirmed to be a non-material administrative correction.

Local Preference

The County Board of Supervisors has expressed its support for hiring local contractors on County construction projects to keep County dollars local and encourage a high standard of workmanship. Staff researched a Best Value Construction Contracting for Counties Pilot Program (Program) available to Monterey County as a potential alternative to the otherwise State-mandated lowest bid process as a way to encourage use of local contractors - this was created by the State Legislature known as SB 128. After review, staff determined the Program does not allow local-vendor preference to be used as a determining factor for award. The Program requires the following criteria be used if selecting a contractor based on best value (California Public Contract Code 20155.1.h):

- Financial Condition
- Relevant Experience
- Demonstrated Management Competency
- Labor Compliance
- Safety Record

In addition, Public Contract Code Section 20155.4 provides as follows,

...best value contractor shall not be prequalified or shortlisted unless the contractor provides an enforceable commitment to the county that the contractor and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project....

Using Best Value requires the County to participate in, or require contractors to enter into, Project Labor Agreements, which the County has not participated in, to date. The impact to the County's ability to utilize local vendors should the Best Value Program be implemented is unknown at this time. Under the current low-bid process, the PWFJ JOC program maintained a local vendor subcontractor rate of at least fifty percent (50%) across all JOC projects in FY 2021/22.

On July 19, 2022, the Board approved and adopted lowest bid solicitations as the preferred process for the 2022/23 JOC awards. In absence of the award mechanism, staff will further encourage the awarded prime JOC contractors, to first subcontract to local vendors/subcontractors.

In addition, the current Board approved JOC Program adopted in 2013 does not provide for selection based on local preference. However, as part of the bid package all prospective bidders are required to submit a "Certification of Good Faith Effort To Employ Monterey Bay Area Residents" including Monterey County, Santa Cruz County and San Benito County in compliance with Monterey County Code Section 5.08.120. Prospective bidders are also required to certify that at the time of the bid, Contractor has a staffed office located within the Monterey Bay Area. Local staffing helps facilitate project responsiveness and outreach to local Subcontractors for individual job orders. PWFJ staff further reviewed and confirmed that the JOC Contractors recommended for award, indeed have local offices with staffing. The Subcontractor Report indicates that the JOC Contractors from the previous award have been performing approximately seventy-eight percent (78%) of their work with local Subcontractors. This percentage is a decrease from 2020's ninety-one percent (91%) due to an increase in specialized vendors for specific American Rescue Plan Act (ARPA) Parks projects (Lake Nacimiento and Lake San Antonio) that are located at the southern border of the County.

This year, for Facilities' Bids, the Board approved the successful bidders to furnish an initial payment bond and a performance bond for approximately Fifty Percent (50%) of the Maximum Contract Value, each in the amount of \$2,701,432. If the aggregate Job Orders issued under the awarded contract exceeds \$2,701,432 an increase in the Payment and Performance Bonds will be required in an amount not less than One Hundred Percent (100%) of the Maximum Contract Value (\$5,402,865). At no time may the sum of the issued Job Orders exceed the amount of the Payment and Performance Bonds. The successful bidders were required to provide a letter from the bonding company stating their ability to obtain Payment and Performance Bonds for the Maximum Contract Value. The initial bonding requirement for Roads & Bridges' Contracts remained set at One Hundred Percent (100%) of the Maximum Contract Value.

PWFJ has operated within the framework set forth in the JOC 2022 Project Specifications for Contractor selection and requests Board of Supervisors approval to authorize the Director of PWFJ or designee to execute the ten (10) Contracts with the lowest responsible and responsive bidders for

JOC Facilities 2022 and JOC Roads & Bridges 2022, approve the corresponding Performance and Payment Bonds, and approve, in accord with the Office of County Counsel, future increases to Facilities JOC Performance and Payment Bonds up to the maximum contract value of \$5,402,865

OTHER AGENCY INVOLVEMENT:

PWFP coordinated preparation of the JOC Project Specifications, including the standard contract language with the County Administrative Office's Contracts/Purchasing Division (C/P), the Office of the County Counsel-Risk Management and the Auditor-Controller's Office. The Office of the County Counsel and C/P attended the bid opening and reviewed all bids for conformance with applicable regulations. PWFP reviewed the bids for responsiveness. The Office of the County Counsel-Risk Management and the Auditor-Controller's Office, have reviewed and approved the contract documents as to form, insurance and fiscal provisions, respectively.

FINANCING:

If approved, the individual Contracts recommended for award of six (6) 2022 JOC Roads and Bridges Contracts and four (4) 2022 JOC Facilities Contracts would provide for a total of ten (10) individual Job Order Contracts, with a cap of up to \$5,402,865 per contract, for a cumulative total of \$54,028,650 under the 2022 JOC Program. Expenditures will be within and not exceed the Fiscal Year (FY) 2022-23 Adopted Budgets. Funding for JOC projects, including applicable The Gordian Group (Gordian) fees, is contained within the adopted FY 2022-23 budget allocations for various funds; 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. A five percent (5%) License Fee to utilize the JOC Program is payable to Gordian 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.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The 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, 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.

Related Board of Supervisors Strategic Initiatives include:

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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

Attachment A - Bid Summaries JOC R&B 2022-01 to 2022-06 & JOC FAC 2022-01 to 2022-04

Attachment B - JOC R&B 2022-01 Teichert Construction Agreement

Attachment C - JOC R&B 2022-02 Papich Construction Agreement

Attachment D - JOC R&B 2022-03 Granite Rock Company Agreement

Attachment E - JOC R&B 2022-04 Granite Construction Agreement

Attachment F - JOC R&B 2022-05 Edwards Construction Agreement

Attachment G - JOC R&B 2022-06 Don Chapin Agreement

Attachment H - JOC FAC 2022-01 R.F. Koerber Agreement

Attachment I - JOC FAC 2022-02 Newton Construction Agreement

Attachment J - JOC FAC 2022-03 Angeles Contractor Agreement

Attachment K - JOC FAC 2022-04 Jacob Construction Agreement

Attachment L - JOC R&B 2022-01 A. Teichert & Son, Inc. dba Teichert Construction Bond

Attachment M - JOC R&B 2022-02 Papich Construction Company, Inc. Bond

Attachment N - JOC R&B 2022-03 Granite Rock Company Bond

Attachment O - JOC R&B 2022-04 Granite Construction Company Bond

Attachment P - JOC R&B 2022-05 Edwards Construction Group, Inc. Bond

Attachment Q - JOC R&B 2022-06 The Don Chapin Co., Inc. Bond

Attachment R - JOC FAC 2022-01 R.F. Koerber Inc. Bond

Attachment S - JOC FAC 2022-02 Newton Construction & Management, Inc. Bond

Attachment T - JOC FAC 2022-03 Angeles Contractor, Inc. Bond

Attachment U - JOC FAC 2022-04 Jacob Construction and Design, Inc. Bond

Attachment V - JOC Award Criteria Figure Formula