**Introduced:** 8/10/2026
**Version:** 1

**Current Status:** Agenda Ready
**Matter Type:** General Agenda Item

a. Award Job Order Contracts (JOC) to the lowest responsive bidders for Natividad Medical Center (NMC) with a one-year term from the first JOC project's initiation by NMC. The contracts will have a minimum value of $25,000 and a maximum value of $6,402,606. The awarded contracts are as follows: NMC 2026-01 with Angeles Construction, for NMC 2026-02 with Newton Construction and Management and 2026-03 to Ausonio Incorporated.
b. Approve the Performance and Payment Bonds provided by Angeles Construction, Newton Construction and Management, and Ausonio Incorporated each in the amount of $6,402,606.
c. Authorize the Interim Chief Executive Officer (CEO) of Natividad Medical Center to execute the Job Order Contracts for NMC 2026-01 with Angeles Construction, for NMC 2026-02 with Newton Construction and Management and 2026-03 to Ausonio Incorporated.

**RECOMMENDATION:**
**It is recommended the Board of Supervisors:**

a. Award Job Order Contracts (JOC) to the lowest responsive bidders for Natividad Medical Center (NMC) with a one-year term from the first JOC project's initiation. The contracts will have a minimum value of $25,000 and a maximum value of $6,402,606. The awarded contracts are as follows: NMC 2026-01 with Angeles Construction, for NMC 2026-02 with Newton Construction and Management and 2026-03 to Ausonio Incorporated.
b. Approve the Performance and Payment Bonds provided by Angeles Construction, Newton Construction and Management, and Ausonio Incorporated each in the amount of $6,402,606.
c. Authorize the Interim Chief Executive Officer (CEO) of Natividad Medical Center to execute the Job Order Contracts for NMC 2026-01 with Angeles Construction, for NMC 2026-02 with Newton Construction and Management and 2026-03 to Ausonio Incorporated.

**SUMMARY:**


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, providing 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).

**DISCUSSION:**

On September 17, 2013, the Board adopted the Monterey County Job Order Contracting Policy Guidelines, constituting the order of the Board approving Job Order Contracts pursuant to Public Contract Code Section 20128.5.

The most current annual NMC JOC Projects were advertised, and bids were opened on July 9, 2026. The lowest responsive and responsible bidder is determined by the award criteria figure. The lowest responsive bidders were Angeles Construction, Newton Construction and Management and Ausonio Incorporated.

Each contractor has represented that its workforce consists primarily of Monterey Bay Area residents or 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. Additionally, each contractor has an office located within Monterey County.

In conjunction with NMC staff, the Gordian Group serves as JOC program administrators under an amended GPO contract through Sourcewell as initially approved by the Board of Supervisors on September 29, 2020.

For the Natividad Medical Center JOC projects, Natividad Medical Center recommends awarding contracts to three separate contractors to allow the Department the option to use the alternate contractor if the other contractor is deemed nonresponsive or has poor performance and to have work performed concurrently. Currently, Natividad Medical Center requests three JOC contract awards.

All three of these JOC contracts will be signed and therefore effective upon the first JOC project's initiation, and from that point, the three JOC contracts for 2026-27 shall be in effect for a one (1) year period from the date when NMC initiated the first job order. However, if during the one (1) year contract period, payments by County to Contractor reach the maximum amount payable, all contracts shall terminate. The County will not issue any new Job Order Projects under these contracts after the one (1) year term expires and will likely issue a new JOC bid package for new contracts for 2027-2028. Any Job Order authorized prior to the expiration of these three contracts must be completed within the time specified in the individual project Job Order documents. In the event a scheduled completion for any Job Order extends beyond the term of the contract, the term of the associated contract shall continue in effect and be applicable for such Job Orders until that JOB order has been completed to the satisfaction of NMC.

Due to the potential project scopes and project range, contractors are each required to provide 100% of the performance and payment bonds in the amount of $6,402,606 to provide JOC efficiency, maintaining control of contractor performance, as well as limiting potential risk to the County.

Natividad Medical Center will provide 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:**

The Office of County Counsel has reviewed and approved this agreement as to form, and the

Auditor-Controller has reviewed and approved payment provisions.

**FINANCING:**

Expenditures for Job Order Contracts will remain within the approved capital projects and operational budgets for FY 2026-27. Future fiscal year capital and operational budgets will be reviewed and approved by the Board of Supervisors before any expenditures are made. The agreement consists of three separate Job Order Contracts with a combined maximum value of $19,207,818, with each individual contract having a maximum value of $6,402,606**.** A 5% License Fee is applicable for using the JOC program, payable to the Gordian Group only when a Job Order is issued to a JOC Contractor. Additionally, the County may choose to use JOC Project Management services for an extra fee of 5.95% if needed. There will be no impact on the general fund.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

The JOC program supports efficient hospital operations by providing an expedited procurement method for smaller, repetitive, and time-sensitive construction projects. The JOC program projects include improvements to health and safety of the facility. The provision of adequate County facilities and infrastructure enhances the quality of life for County residents, patients, and visitors at Natividad.

_ Well-Being and Quality of Life
X Sustainable Infrastructure for Present and Future
_ Safe and Resilient Communities
X Diverse and Thriving Economy
_ Dynamic Organization and Employer of Choice
X Administrative

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Approved by: Nancy Buscher, Interim Chief Executive Officer, 783-2504

Attachments:
Angeles Construction contract, which includes Performance and Payment Bonds
Newton Construction and Management contract, which includes Performance and Payment Bonds
Ausonio Incorporated contract, which includes Performance and Payment Bonds

Attachments on file with the Clerk of the Board