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Board Report

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Receive a Quarterly Report on Job Order Contracting from the Resource Management Agency-Public Works for the period ending June 30, 2016.

RECOMMENDATION:

It is recommended that the Capital Improvement Committee receive a Quarterly Report on Job Order Contracting from the Resource Management Agency-Public Works for the period ending June 30, 2016

SUMMARY/DISCUSSION:

The Capital Improvement Committee (CIC) is asked to receive the Job Order Contracting (JOC) Quarterly Report for April 1 to June 30, 2016. This quarterly report includes projects continuing or completed under the four (4) 2014 JOC contracts and the six (6) 2015 JOC Contracts that the Board of Supervisors awarded on November 3, 2015. A total of thirty-seven (37) project were completed during the reporting period of April 1, 2016 through June 30, 2015 including eight (8) projects completed under the 2014 JOC Contract and twenty nine (29) projects completed under the 2015 JOC Contract.

Attachment A 2014 (JOC Program Quarterly Report) tracks twenty-two (22) projects under construction, eight (8) of these projects were completed during the subject reporting period of April 1, 2016 to June 30, 2016.

Attachment B 2015 (JOC Program Quarterly Report) tracks forty-one (41) projects under construction issued through the current 2015 JOC Contracts, which shows twenty-nine (29) project completed during the subject reporting period. During the April 1 to June 30, 2016 reporting period, eleven (11) job orders were issued under the current JOC 2015 contracts.

For all the active and completed projects this quarter, Attachments A and B summarize the Job Order Value for the contractors, applicable fees for the Gordian Group, project status, and other required reporting data, such as listing of subcontractors, number of contractor evaluations completed, and fifty percent (50%) Local Employment compliance.

Attachment C provides contractor evaluations for all JOC projects completed during the quarter ending June 30, 2016. Evaluations are a decision-making tool to determine a contractor's suitability for future JOC projects.

During this reporting period, the average Performance Rating score of the contractor evaluations was 86% with one Facilities contractor (Sea Pac Engineering) achieving a performance score of less than 60%. Sea Pac Engineering was rated at 36% resulting from poor overall performance on the Schilling Place Tenant Improvement-Re-Roof project.

Thirty-four (34) of the thirty-seven (37) completed project job order contracts achieved the County's 50% Monterey Bay Area Local Employment goal. The three projects not achieving the 50% local employment goal were the Schilling Place Tenant Improvement Re-Roof Project, the Schilling Place Tenant Improvement Re-Roof -Purlin Repair Project, both under Sea Pac Engineering, and the 230 Church Street Modular 1 HVAC Replacement Project under Staples Construction. In all three cases, it appears that local contractors were unavailable to meet the specific project procurement time-frames and the project had to source sub-contractors outside of the local area.

However overall, project job orders completed via the JOC procurement process have exceeded the County's Monterey Bay Area Local Employment goal. During this reporting period, 97% of the completed project job orders achieved a local employment goal of 50% or better. Cumulatively, the average local employment percentage was 65%.

OTHER AGENCY INVOLVEMENT:

RMA-Public Works coordinates the preparation of Job Orders with RMA Finance and the Auditor-Controller.

FINANCING:

Funding for JOC projects is contained either within the approved budget allocations of Fund 401 - Facilities Maintenance Projects; Fund 402 - and Fund 404 - Capital 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. The Gordian Group (TGG) fee is a 5% License Fee of each JOC project total value, and is payable by the County upon issuance of a Job Order to the JOC Contractor. TGG offers project management services for job orders as requested by the County for a set fee of 5.95% of the job order total value. During the period of April 1, 2016 to June 30, 2016, Gordian License Fee and project management fees totaled \$1,270,775 or an overall average of 8% of the total construction contract value of \$15,182,181 during this reporting period. This fee is lower than the industry standard of 10% for Construction Management fees. The Gordian services allow the County to implement a higher volume of maintenance and repair project which would otherwise not be possible due to the shortage of available project management staff.

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Approved by: Benny J. Young, Interim Director of Public Works and Facilities

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

Dated: July 21, 2016

Attachments: Attachment A 2014 JOC Program Quarterly Report; Attachment B 2015 JOC Program Quarterly Report; Attachment C Contractor Evaluations

