



Monterey County

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Capital Improvement Committee

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Receive a Quarterly Report on Job Order Contracting from the Resource Management Agency-Public Works and Facilities for the period ending December 31, 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 and Facilities for the period ending December 31, 2016.

SUMMARY:

The Capital Improvement Committee (CIC) is asked to receive the Job Order Contracting (JOC) Quarterly Report for October 1 to December 31, 2016. This quarterly report includes projects continuing or completed under the four (4) 2014 JOC contracts; the six (6) 2015 JOC Contracts, and the six (6) 2016 JOC Contracts that the Board of Supervisors awarded on January 27, 2015, November 3, 2015, and November 15, 2016 respectively. During the reporting period of October 1, 2016 through December 31, 2016:

- Fifteen (15) projects were completed including two (2) projects completed under the 2014 JOC Contracts and thirteen (13) projects completed under the 2015 JOC Contracts.
- Seventeen (17) new projects were started during the reporting period of October 1, 2016 -December 31, 2016 including eleven (11) projects under the 2015 JOC Contracts and six (6) under the 2016 JOC Contracts. New projects are identified in Attachments A, B, and C.

Overall, project job orders completed via the JOC procurement process continue to exceed the County's Monterey Bay Area Local Employment goal. During this reporting period, 93% of the completed project job orders achieved a local employment goal of 50% or better. Cumulatively, the average local employment percentage during this reporting period was 91%.

DISCUSSION:

Attachment A 2014 (JOC Program Quarterly Report) tracks two (2) projects under construction, which were both completed during the subject reporting period of October 1, 2016 to December 31, 2016.

Attachment B 2015 (JOC Program Quarterly Report) tracks thirty-two (32) projects under construction issued through the 2015 JOC Contracts, of which thirteen (13) projects were completed during the subject reporting period. Attachment C 2016 (JOC Program Quarterly Report) tracks six (6) projects under construction issued through the current 2016 JOC Contracts. During the October 1 to December 31, 2016 reporting period, eleven (11) job orders were issued under the JOC 2015 contracts and six (6) job orders were issued under current JOC 2016 contracts.

For all the active and completed projects this quarter, Attachments A, B, and C summarize the Job Order Value for the contractors, applicable fees for the Gordian Group, project status, funding source, whether project is part of adopted Five Year Capital Improvement Plan (CIP) and other required reporting data, such as listing of subcontractors, number of contractor evaluations completed, and fifty percent (50%) Local Employment compliance. Attachment D summarizes applicable Gordian Group fees for all JOC projects during this reporting period. Attachment E provides contractor evaluations for all JOC projects completed during the quarter ending December 31, 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 all contractors achieving a performance score above 60%.

Fourteen (14) of the fifteen (15) completed project job order contracts achieved the County's 50% Monterey Bay Area Local Employment goal. The project not achieving the 50% local employment goal was the 1590 Moffett IT Reroof project under Staples Construction 2015 Facilities contract. In this case, Staples Construction solicited and received bids from several local sub-contractors, however, the lowest bidder was not a local vendor.

The Five-Year Capital Improvement Plan is adopted yearly and tracks allocation of resources for projects with budgets over \$100,000. Projects under \$100,000 and emergency projects are not included in the Five-Year CIP Plan. Projects implemented through the JOC Program include projects listed in the adopted 5 Year Capital Improvement Plan; smaller maintenance and repair projects that are not specifically listed in the CIP Plan but funded through established Unscheduled Maintenance Project budget or funded with outside Department funding; emergency projects that have secured funding; and new projects with secured funding for which Departments have sought Board approval to implement.

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; Funds 402/404 - 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. Funding Sources for each JOC project are listed in Attachments A, B, and C. 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 October 1, 2016 to December 31, 2016, Gordian License Fee and project management fees totaled \$654,744 or an overall average of 7% of the total construction contract value of \$8,805,985 during this reporting period. This fee is lower than the industry standard of 10% for Construction Management fees. TGG services allow the County to implement a higher volume of maintenance and repair projects which would otherwise not be possible due to limited project management staff time.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Job Order Contract (JOC) program helps with providing efficient and effective government operations by allowing improved processing for smaller and more urgent projects. Monterey County has multiple documents to help identify and address critical infrastructure needs (Pavement Management Plan, ADA Transition Plan, Facility Asset Report, Municipal Climate Action Plan, etc). Taking these documents into account, a 5-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:

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

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Attachments:

- Attachment A - 2014 JOC Program Active Projects Period Oct. 1- Dec. 31, 2016
- Attachment B - 2015 JOC Program Active Projects Period Oct. 1 -Dec. 31, 2016
- Attachment C - 2016 JOC Program Active Projects Period Oct. 1 -Dec. 31, 2016
- Attachment D- Gordian Group Fee Summary
- Attachment E- Contractor Evaluations