



Monterey County

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Capital Improvement Committee

Legistar File Number: 17-1227

December 11, 2017

Introduced: 12/4/2017

Version: 1

Current Status: Agenda Ready

Matter Type: General Agenda Item

Receive a Quarterly Report on Job Order Contracting from the Resource Management Agency-Public Works and Facilities for the period ending September 30, 2017.

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 September 30, 2017.

SUMMARY:

The Capital Improvement Committee (CIC) is asked to receive the Job Order Contracting (JOC) Quarterly Report for July 1 to September 30, 2017. This quarterly report includes projects continuing or completed under the six (6) 2015 JOC Contracts, and the six (6) 2016 JOC Contracts that the Board of Supervisors awarded on November 3, 2015, and November 15, 2016 respectively. During the reporting period of July 1, 2017 through September 30, 2017:

- Ten (10) projects were completed including two (2) projects completed under the 2015 JOC Contracts and eight (8) projects completed under the 2016 JOC Contracts
- Twenty (20) new projects were started during the reporting period of July 1, 2017-September 30, 2017, all under the 2016 JOC Contracts. New projects are identified in Attachment B.

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, all 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% (87 out of 96).

DISCUSSION:

Attachment A 2015 (JOC Program Quarterly Report) tracks five (5) projects under construction issued through the 2015 JOC Contracts, of which two (2) projects were completed during the subject reporting period. Attachment B 2016 (JOC Program Quarterly Report) tracks ninety-one (91) projects under construction issued through the current 2016 JOC Contracts. During the July 1 to September 30, 2017 reporting period, no new job orders were issued under the JOC 2015 contracts and twenty (20) job orders were issued under current JOC 2016 contracts.

For all the active and completed projects this quarter, Attachments A and B summarize project information such as Job Order Value, Gordian Group fees, project status, project funding and Local Employment compliance status. Attachment C summarizes applicable Gordian Group fees for JOC projects during this reporting period. Attachment D provides a summary of maximum JOC contract values for the 2015 and 2016 JOC Contracts, the total job order values to date and the remaining contract values. Attachment E provides contractor evaluations for all JOC projects completed during the quarter ending September 30, 2017. 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 75% with all ten (10) contractors achieving a performance score above 60%.

All ten (10) of the completed project job order contracts achieved the County's 50% Monterey Bay Area Local Employment goal.

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 and B. 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 July 1, 2017 to September 30, 2017, Gordian License Fee and project management fees totaled \$1,170,136 or an overall average of 6% of the total construction contract value of \$19,475,616 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.

Mark a check to the related Board of Supervisors Strategic Initiatives

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

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Attachments:

Attachment A - 2015 JOC Program Active Projects Period Jul. 1 -Sep. 30, 2017
Attachment B - 2016 JOC Program Active Projects Period Jul. 1 -Sep. 30, 2017
Attachment C - Gordian Group Fee Summary
Attachment D - Cumulative Summary of JOC 2015 & 2016 Contract Values and Costs
Attachment E - Contractor Evaluations