



Legislation Details (With Board Report)

File #: A 20-454 **Name:** Award Job Order Contracts (JOC)

Type: BoS Agreement **Status:** Passed - RMA Administration

File created: 10/22/2020 **In control:** Board of Supervisors

On agenda: 10/27/2020 **Final action:** 10/27/2020

Title: 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 \$5,098,418 to the following bidders: 2020-01 Granite Construction Company; 2020-02 A. Teichert & Son, Inc. dba Teichert Construction; and 2020-03 Granite Rock Company;
 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 \$5,098,418 to the following bidders: 2020-01 Newton Construction & Management, Inc.; and 2020-02 Gustav Keoni dba Precision Construction Services;
 c. Approve the Performance and Payment Bonds for Roads & Bridges JOC in the amount of \$5,098,418 each by Granite Construction Company; A. Teichert & Son, Inc. dba Teichert Construction; and Granite Rock Company;
 d. Approve the Performance and Payment Bonds for Facilities JOC in the amount of \$5,098,418 each by Newton Construction & Management, Inc.; and Gustav Keoni dba Precision Construction Services; and
 e. Authorize the RMA Director or the assigned designee to execute the Roads & Bridges and Facilities Job Order Contracts. (ADDED VIA ADDENDA)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Attachment A - JOC 2020-Bid Summary 102120, 3. Attachment B - JOC R&B 2020-01 Granite Construction Company Agrmt, 4. Attachment C - JOC R&B 2020-02 Teichert Construction Agrmt, 5. Attachment D - JOC R&B 2020-03 Granite Rock Company Agrmt, 6. Attachment E - JOC Facilities 2020-01 Newton Construction & Management, Inc. Agrmt, 7. Attachment F - JOC Facilities 2020-02 Gustav Keoni dba Precision Construction Service Agrmt, 8. Attachment G - JOC R&B 2020-01 Granite Construction Company Bonds, 9. Attachment H - JOC R&B 2020-02 Teichert Construction Bonds, 10. Attachment I - JOC R&B 2020-03 Granite Rock Company Bonds, 11. Attachment J - JOC Facilities 2020-01 Newton Const & Magmt, Inc. Bonds, 12. Attachment K - JOC Facilities 2020-02 Gustav Keoni dba Precision Const Bonds, 13. Attachment L - JOC Award Criteria Figure Formula, 14. Item No 51.1 Completed Board Order, 15. Fully Executed Agreement, 16. Fully Executed Agreement (2), 17. Fully Executed Agreement (3), 18. Fully Executed Agreement (4), 19. Fully Executed Agreement (5)

Date	Ver.	Action By	Action	Result
10/27/2020	1	Board of Supervisors		

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 \$5,098,418 to the following bidders: 2020-01 Granite Construction Company; 2020-02 A. Teichert & Son, Inc. dba Teichert Construction; and 2020-03 Granite Rock Company;
 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 \$5,098,418 to the following bidders: 2020-01 Newton Construction & Management, Inc.; and 2020-02 Gustav Keoni dba Precision Construction Services;

- c. Approve the Performance and Payment Bonds for Roads & Bridges JOC in the amount of \$5,098,418 each by Granite Construction Company; A. Teichert & Son, Inc. dba Teichert Construction; and Granite Rock Company;
- d. Approve the Performance and Payment Bonds for Facilities JOC in the amount of \$5,098,418 each by Newton Construction & Management, Inc.; and Gustav Keoni dba Precision Construction Services; and
- e. Authorize the RMA Director or the assigned designee to execute the Roads & Bridges and Facilities Job Order Contracts. (ADDED VIA ADDENDA)

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 \$5,098,418:

- a. JOC Roads & Bridges 2020-01 contract to Granite Construction Company, with a bid award criteria figure of 1.1196
- b. JOC Roads & Bridges 2020-02 contract to A. Teichert & Son, Inc. dba Teichert Construction, with a bid award criteria figure of 1.1145
- c. JOC Roads & Bridges 2020-03 contract to Granite Rock Company, with a bid award criteria figure of 1.1100

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 \$5,098,418:

- d. JOC Facilities 2020-01 contract to Newton Construction & Management, Inc., with a bid award criteria figure of 1.0890
- e. JOC Facilities 2020-02 contract to Gustav Keoni dba Precision Construction Services, with a bid award criteria figure of 1.0989

Approve the following Performance and Payment Bonds for Roads & Bridges JOC in the amount of \$5,098,418:

- f. Performance and Payment Bonds executed and provided by Granite Construction Company
- g. Performance and Payment Bonds executed and provided by Teichert & Son, Inc. dba Teichert Construction
- h. Performance and Payment Bonds executed and provided by Granite Rock Company

Approve the following Performance and Payment Bonds for Facilities JOC in the amount of \$5,098,418:

- i. Performance and Payment Bonds executed and provided by Newton Construction & Management, Inc.
- j. Performance and Payment Bonds executed and provided by Gustav Keoni dba Precision Construction Services

Authorize the RMA Director or assigned designee to execute contracts:

- k. JOC Roads & Bridges 2020-01 with Granite Construction Company; JOC Roads & Bridges 2020-02 with Teichert & Son, Inc. dba Teichert Construction; JOC Roads & Bridges 2020-03 with Granite Rock Company; JOC Facilities 2020-01 with Newton Construction & Management, Inc.; and JOC Facilities 2020-02 with Gustav Keoni dba Precision Construction Services

SUMMARY:

Job Order Contracting (JOC) contracts are for a term of one (1) year from date signed by County. The Gordian Group assisted County staff with developing bid documents for a new term of JOC contracts. On August 25, 2020, the Board adopted the Monterey County 2020 JOC Construction Task Catalogs and Project

Specifications for the JOC 2020 contracts (2020 JOC Program) and authorized advertising for bids. The JOC 2020 Bid Opening occurred on September 16, 2020 during which a total of six (6) bids were received for Facilities and a total of six (6) bids were received for Roads and Bridges (see Attachment A).

In accordance with section 20128.5 of the Public Contract Code and the JOC 2020 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 L, item 10) have been included. The Award Criteria Figure is a formula based on the adjustment factors applied to the Gordian 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).

The recommended action allows for the issuance of three (3) Roads & Bridges JOC 2020 contracts and two (2) Facilities JOC 2020 contracts and approval of the Performance and Payment Bonds provided by the respective contractors. This recommendation reflects the three (3) lowest responsible and responsive bids for the Roads and Bridges contracts and the two (2) lowest responsible and responsive bids for the Facilities contracts. Staff has determined that only two (2) Facilities contracts are needed at this time and has rejected all bids for the third JOC 2020 Facilities contract.

This item was presented to the Board on October 13 and questions arose regarding Contractor selection and local preference. This report is intended to answer the questions raised by the Supervisors. The current JOC Policy 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". The Gordian Group staff reviewed and confirmed that the JOC Contractors recommended for award, indeed have local offices with staffing.

The six (6) bids submitted for Facilities were from Contractors with a main office outside of the Monterey Bay Area (Monterey, San Benito and Santa Cruz County). The six (6) bids submitted for Roads and Bridges included three (3) bids submitted by Contractors that have main offices within the Monterey Bay Area and three (3) bids were submitted from Contractors that have main offices outside of the Monterey Bay Area. (See Attachment A.)

DISCUSSION:

California 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 contractors will perform a variety of projects consisting of specific construction tasks. JOC provides 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 or other than normal working hours).

On April 9, 2013, the Board of Supervisors (Board) approved an Agreement between the County of Monterey (County) and The Gordian Group, Inc. (The Gordian Group) to assist the County in developing a JOC system. The Gordian Group services are provided through the Sourcewell Cooperative Contract 071415-GGI. On

September 17, 2013, the Board adopted the Monterey County JOC Policy Guidelines (referred to as the JOC Program) which constitute the Board Order approving Job Order Contracts pursuant to California Public Contract Code Section 20128.5.

For the Roads & Bridges JOC 2020 and Facilities JOC 2020, Resource Management Agency-Public Works, Parks and Facilities (RMA-PWPF) recommends awarding three (3) Roads & Bridges Contracts and two (2) Facilities Contracts to allow RMA-PWPF the option to use the alternate Contractors if a Contractor is deemed nonresponsive or has poor performance as well as to enable parallel project work to be performed. Staff has determined that only two (2) Facilities Contracts are needed at this time and has rejected all bids for the third JOC 2020 Facilities Contract pursuant to the reservation of rights in the County’s Notice to Bidders which provides for the following reservation of rights:

Determination of lowest bidder will be based upon lowest Award Criteria Figure. Bidders may bid separately on any Facilities or Roads & Bridges contracts. However, only one (1) contract of either category may be awarded to any bidder. Apparent lowest responsive, responsible bidder on each JOC contract will be excluded from consideration for each successive contract. County may award up to six (6) individual contracts but reserves the right to reject any/all bids and waive any irregularities or informality in any bid received. No bidder may withdraw his/her/its bid for a period of sixty (60) days after the bid opening.

Notice of the County’s rejection of all bids for JOC Facilities 2020-03 was provided to all six (6) bidders which submitted bids for JOC Facilities 2020-03.

JOC 2020 Contracts will be effective upon award and signature by the County for a term of one (1) year from the date the Contracts are fully signed by the County. The County will not issue any new Job Orders after expiration of the Contracts. Any Job Order authorized prior to the expiration of the Contract must be completed within the time specified in the Job Order. In the event a scheduled completion for any Job Order extends beyond the term of the Contract, the terms of the Contract shall continue in effect and be applicable for such Job Orders.

The table below summarizes the number and costs of JOC projects per year since the inception of the Monterey County JOC Program to date. A total of 770 JOC projects have been implemented since the inception of the program in 2013. All 2013, 2014, 2015, 2016, 2017 and 2018 JOC projects are now completed. Currently, there are sixty-one (61) JOC 2019 Facilities projects and twenty-eight (28) JOC 2019 Roads and Bridges projects have been issued to date.

	Cumulative Job Order Value to Date	Number of Projects
JOC FACILITIES 2013	\$1,813,661	27
JOC ROADS & BRIDGES 2013	\$1,191,859	12
JOC FACILITIES 2014	\$6,421,707	20
JOC ROADS & BRIDGES 2014	\$2,837,971	36
JOC FACILITIES 2015	\$9,025,672	40
JOC ROADS & BRIDGES 2015	\$5,768,702	43
JOC FACILITIES 2016	\$5,781,801	113
JOC ROADS & BRIDGES 2016	\$8,756,772	106
JOC FACILITIES 2017	\$ 5,413,517	79
JOC ROADS & BRIDGES 2017	\$4,653,869	60

JOC FACILITIES 2018	\$4,043,828	89
JOC ROADS & BRIDGES 2018	\$3,749,169	56
JOC FACILITIES 2019	\$5,054,055	61
JOC ROADS & BRIDGES 2019	\$4,885,324	28
Grand Total	\$69,397,907	770

The 2019 JOC contracts will expire or will have reached or are anticipated to reach the Maximum Contract Value (MCV) at the time of issuance of the 2020 JOC Contracts. JOC 2019 Job Orders can be issued through the JOC 2019 Contract expiration date of October 30, 2020, after which any new Job Orders will be issued under the new JOC 2020 Contracts which will be effective by October 27, 2020. The JOC 2020 Contracts awarded to each of the five (5) Contractors pursuant to the JOC Program, offer a minimum Contract value of \$25,000 and MCV of \$5,098,418. County JOC specifications require Contractors to provide a letter from a bonding company stating their ability to obtain Payment and Performance Bonds for the MCV of \$5,098,418 in order to provide for JOC efficiency, maintain control of Contractor performance, as well as limit potential risk to the County. The initial bonding requirement for Roads and Bridges and Facilities Contracts is set at One Hundred Percent (100%) of the MCV. Successful bidders of all Contracts are required to furnish payment and performance bonds, each in the amount of the MCV of \$5,098,418, which shall remain in force for the duration of the annual Contract term and until completion of all outstanding Job Order(s).

Per the JOC Program, any Job Order that exceeds \$1 Million will be brought to the Capital Improvement Committee (CIC) prior to issuance of a Notice to Proceed. RMA-PWPF will provide quarterly 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.

Based on historical JOC Contract costs summarized above, staff anticipates that the three (3) JOC Roads and Bridges Contracts and the two (2) JOC Facilities Contracts will provide sufficient capacity to implement scheduled and unscheduled projects. If required, staff also has the option to use The Gordian Group's ezIQC Cooperative Purchasing Program which was authorized by the Board on March 28, 2017. The ezIQC Program is yet another tool in the JOC procurement toolbox for expediting straightforward construction projects. The Gordian Group's ezIQC Program was launched in 2009 and rolled out nationwide in 2010, under the National Joint Powers Alliance (NJPA), now Sourcewell, to which the County is a participating agency. As a participating agency, the County can sign onto participation Agreements that were previously created after a bidding process. This allows the County to remain compliant with bidding laws and regulations, while signing onto Agreements that benefit the County.

The following overview of the JOC 2020 Contractor selection process has been added to this report to address the questions raised by the Supervisors during the October 13, 2020 meeting.

On August 25, 2020, the Board adopted the Monterey County 2020 JOC Construction Task Catalogs and Project Specifications for the JOC 2020 Contracts (2020 JOC Program) and authorized advertising for bids.

The Resource Management Agency (RMA) followed the notification procedures outlined in the JOC Project Specifications for Roads and Bridges and Facilities. The JOC 2020 Projects were duly advertised. Six (6) bids were submitted for Facilities by Contractors with a main office outside of the Monterey Bay Area (Monterey, San Benito and Santa Cruz County). Six (6) bids were submitted for Roads and Bridges; (3) bids were submitted by Contractors that have main offices within the Monterey Bay Area and three (3) bids were

submitted by Contactors that have main offices outside the Monterey Bay Area. Bids were submitted by the following Contractors:

JOC Facilities 2020

Angeles Contractor, Inc.
City of Industry, CA

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

Staples Construction Company, Inc.
Ventura, CA

Quincon, Inc.
Grover Beach, CA

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

Precision Construction Services*
San Luis Obispo, CA

JOC Roads and Bridges 2020

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

Precision Grade, Inc.
San Juan Bautista, CA

Granite Construction Company*
Watsonville, CA

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

Granite Rock Company*
San Jose, CA

Don Chapin Co., Inc.
Salinas, CA

* Indicates lowest responsible and responsive bidders.

The JOC 2020 Bid Opening on September 16, 2020 was held in the Board of Supervisors Chambers. Representatives from the Office of the County Counsel-Risk Manager 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. Per the process set forth by the JOC 2020 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 award of the JOC Facilities 2020-01, Facilities 2020-02, Roads and Bridges 2020-01, Roads and Bridges 2020-02 and Roads and Bridges 2020-03 were awarded to the lowest responsible and responsive bidder in accordance with Public Contract Section 20128.5 and as outlined in the JOC Project Specifications (page 7, item 20). 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 L.)

The lowest responsive and responsible bidders for JOC 2020, determined by the Award Criteria Figures are listed below:

JOC Roads & Bridges:

- 2020-01 Granite Construction Company

- 2020-02 Teichert & Son, Inc. dba Teichert Construction
- 2020-03 Granite Rock Company

JOC Facilities:

- 2020-01 Newton Construction & Management, Inc.
- 2020-02 Gustav Keoni dba Precision Construction Services

At the October 13, 2020 Board Meeting, there were questions regarding the local preference policy. Staff is responding to the questions raised regarding local preference. The current JOC Policy 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. Gordian Group 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 ninety percent (90%) of their work with local Subcontractors.

RMA has operated within the framework set forth in the JOC 2020 Project Specifications for Contractor selection and requests approval of the Board of Supervisors to authorize the Director of RMA or designee to execute the five (5) Contracts with the lowest responsible and responsive bidders for JOC Facilities and Roads and Bridges 2020 and approve the Performance and Payment Bonds.

OTHER AGENCY INVOLVEMENT:

RMA-PWPF 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 Manager and the Auditor-Controller’s Office. The Office of the County Counsel-Risk Manager and C/P attended the bid opening and reviewed all bids for conformance with applicable regulations. RMA-PWPF reviewed the bids for responsiveness. The Office of the County Counsel-Risk Manager 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 2020 JOC Program would provide individual Job Order Contracts, with a cap of up to \$5,098,418 per contract, for a cumulative total of \$25,492,090 under the JOC Program, three (3) for Roads & Bridges and two (2) for Facilities. Expenditures will be within and not exceed the Fiscal Year (FY) 2020-21 Adopted Budgets. Funding for JOC projects, including applicable Gordian Group fees, is contained within the adopted FY 2020-21 budget allocations for various funds; Fund 402 - Capital Projects, 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 the Gordian Group 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. The Gordian Group 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 2020-01 to 2020-03 & JOC FAC 2020-01 to 2020-02
- Attachment B - JOC R&B 2020-01 Granite Construction Company Agmt.
- Attachment C - JOC R&B 2020-02 Teichert & Son, Inc. dba Teichert Construction Agmt.
- Attachment D - JOC R&B 2020-03 Granite Rock Company Agmt.
- Attachment E - JOC FAC 2020-01 Newton Construction & Management, Inc. Agmt.
- Attachment F - JOC FAC 2020-02 Gustav Keoni dba Precision Construction Services Agmt.
- Attachment G - JOC R&B 2020-01 Granite Construction Company Bonds
- Attachment H - JOC R&B 2020-02 Teichert & Son, Inc. dba Teichert Construction Bonds
- Attachment I - JOC R&B 2020-03 Granite Rock Company Bonds
- Attachment J - JOC FAC 2020-01 Newton Construction & Management, Inc. Bonds
- Attachment K - JOC FAC 2020-02 Gustav Keoni dba Precision Construction Services Bonds
- Attachment L - JOC Award Criteria Figure Formula