



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 23-403, Version: 1

- a. Award Roads & Bridges Job Order Contracts (JOC) for a term of 1 year from date signed by County with a minimum contract value of \$25,000 and maximum contract value of \$5,797,275 to the following bidders: R&B 2023-01 Granite Construction Company; R&B 2023-02 Papich Construction Company, Inc.; R&B 2023-03 The Don Chapin Co., Inc.; R&B 2023-04 A. Teichert & Son, Inc. dba Teichert Construction; R&B 2023-05 Granite Rock Company; and R&B 2023-06 Newton Construction & Management, Inc.;
- b. Award Facilities Job Order Contracts for a term of 1 year from the date signed by County with a minimum contract value of \$25,000 and maximum contract value of \$5,797,275 to the following bidders: FAC 2023-01 Newton Construction & Management, Inc.; FAC 2023-02 Quincon, Inc.; FAC 2023-03 Angeles Contractor, Inc.; and FAC 2023-04 R.F. Koerber Inc.
- c. Award Emergency Repair Work Job Order Contracts for a term of 1 year from the date signed by County with a minimum contract value of \$25,000 and maximum contract value of \$5,797,275 to the following bidders: ERW 2023-01 Granite Construction Company; ERW 2023-02 Papich Construction Company, Inc.; and ERW 2023-03 A. Teichert & Son, Inc. dba Teichert Construction.
- d. Approve the Performance and Payment Bonds for Roads & Bridges JOC in the amount of \$5,797,275 each by Granite Construction Company; Papich Construction Company, Inc.; The Don Chapin Co., Inc.; A. Teichert & Son, Inc. dba Teichert Construction; Granite Rock Company.; and Newton Construction & Management, Inc.
- e. Approve the Performance and Payment Bonds for Facilities JOC in the amount of \$2,898,638 each by Newton Construction & Management, Inc.; Quincon, Inc.; Angeles Contractor, Inc., and R.F. Koerber Inc.
- f. Approve the Performance and Payment Bonds for Emergency Repair Work JOC in the amount of \$5,797,275 each by Newton Construction & Management, Inc.; Quincon, Inc.; Angeles Contractor, Inc. and R.F. Koerber Inc.
- g. Authorize the Director of the Department of Public Works, Facilities and Parks (PWFP) or the assigned designee to execute the Roads & Bridges and Facilities Job Order Contracts.
- h. Ratify the Director of PWFP determination that the bid package from Granite Rock Company was responsive upon receipt of Addendum No. 2 which was confirmed to be a non-material administrative correction.
- i. Authorize the Director of PWFP or the assigned designee to approve future increases to Facilities JOC Performance and Payment Bonds up to the maximum contract value of \$5,797,275 for the following bidders: Newton Construction & Management, Inc.; Quincon, Inc.; Angeles Contractor, Inc., and R.F. Koerber Inc. in consultation with the Office of the County Counsel.

RECOMMENDATION:

It is recommended that the Board of Supervisors approve the following items:

- a. 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 \$5,797,275:
 - i. JOC Roads & Bridges 2023-01 Contract to Granite Construction Company, with a bid award criteria figure of 1.1195
 - ii. JOC Roads & Bridges 2023-02 Contract to Papich Construction Company, Inc., with a bid award criteria figure of 1.1140
 - iii. JOC Roads & Bridges 2023-03 Contract to The Don Chapin Co., Inc., with a bid award criteria figure of 1.1275
 - iv. JOC Roads & Bridges 2023-04 Contract to A. Teichert & Son, Inc. dba Teichert Construction, with a bid

award criteria figure of 1.1141

v. JOC Roads & Bridges 2023-05 Contract to Granite Rock Company, with a bid award criteria figure of 1.1100

vi. JOC Roads & Bridges 2022-06 Contract to Newton Construction & Management, Inc., with a bid award criteria figure of 1.2045

b. 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 \$5,797,275:

i. JOC Facilities 2023-01 Contract to Newton Construction & Management, Inc. with a bid award criteria figure of 1.0860

ii. JOC Facilities 2023-02 Contract to Quincon, Inc., with a bid award criteria figure of 1.0980

iii. JOC Facilities 2023-03 Contract to Angeles Contractor, Inc., with a bid award criteria figure of 1.1100

iv. JOC Facilities 2023-04 Contract to R.F. Koerber Inc., Jacob Construction & Design, Inc., with a bid award criteria figure of 1.1155

c. Award the following JOC Emergency Repair Work contracts to the lowest responsible and responsive bidders for a term of 1 year from the date signed by County with a minimum contract value of \$25,000 and maximum contract value of \$5,797,275:

i. JOC Emergency Repair Work 2023-01 Contract to Granite Construction Company, with a bid award criteria figure of 1.0680

ii. JOC Emergency Repair Work 2023-02 Contract to Papich Construction Company, Inc., with a bid award criteria figure of 1.0340

iii. JOC Emergency Repair Work 2023-03 Contract to A. Teichert & Son, Inc. dba Teichert Construction, with a bid award criteria figure of 1.0700

d. Approve the following Performance and Payment Bonds for Roads & Bridges JOC in the amount of \$5,797,275:

i. Performance and Payment Bonds executed and provided by Granite Construction Company

ii. Performance and Payment Bonds executed and provided by Papich Construction Company, Inc.

iii. Performance and Payment Bonds executed and provided by The Don Chapin Co., Inc.,

iv. Performance and Payment Bonds executed and provided by A. Teichert & Son, Inc. dba Teichert Construction

v. Performance and Payment Bonds executed and provided by Granite Rock Company

vi. Performance and Payment Bonds executed and provided by Newton Construction & Management, Inc.

e. Approve the following Performance and Payment Bonds for Facilities JOC in the amount of \$2,898,638:

i. Performance and Payment Bonds executed and provided by Newton Construction & Management, Inc.

ii. Performance and Payment Bonds executed and provided by Quincon, Inc.

iii. Performance and Payment Bonds executed and provided by Angeles Contractor, Inc.

iv. Performance and Payment Bonds executed and provided by R.F. Koerber Inc.

f. Approve the following Performance and Payment Bonds for Emergency Repair Work JOC in the amount of \$5,797,275:

i. Performance and Payment Bonds executed and provided by Granite Construction Company

ii. Performance and Payment Bonds executed and provided by Papich Construction Company, Inc.

iii. Performance and Payment Bonds executed and provided by A. Teichert & Son, Inc. dba Teichert

Construction

- g. Authorize the Director of PWWP or assigned designee to execute JOC 2023 Contracts: JOC Roads & Bridges 2023-01 with Granite Construction Company; JOC Roads & Bridges 2023-02 with Papich Construction Company, Inc.; JOC Roads & Bridges 2023-03 with The Don Chapin Co., Inc.; JOC Roads & Bridges 2023-04 A. Teichert & Son, Inc. dba Teichert Construction; JOC Roads & Bridges 2023-05 with Granite Rock Company; JOC Roads & Bridges 2023-06 Newton Construction & Management, Inc.; JOC Facilities 2023-01 with Newton Construction & Management, Inc.; JOC Facilities 2023-02 with Quincon, Inc.; JOC Facilities 2022-03 with Angeles Contractor, Inc.; JOC Facilities 2022-04 with R.F. Koerber Inc.; JOC Emergency Repair Work 2023-01 with Granite Construction Company; JOC Emergency Repair Work 2023-02 with Papich Construction Company, Inc.; and JOC Emergency Repair Work 2023-03 with Newton Construction & Management, Inc.
- h. Ratify the Director of PWWP determination that the bid package from Granite Rock Company was responsive upon receipt of the Addendum No. 2 which was confirmed to be a non-material administrative correction.
- i. Authorize the Director of PWWP or the assigned designee to approve future increases to Facilities JOC Performance and Payment Bonds up to the maximum contract value of \$5,797,275 for the following bidders: Newton Construction & Management, Inc.; Quincon, Inc.; Angeles Contractor, Inc.; and R.F. Koerber Inc. in consultation with the Office of the County Counsel.

SUMMARY:

On June 6, 2023, the Board adopted the County of Monterey 2023 JOC Construction Task Catalogs and Project Specifications for the JOC 2023 Contracts (2023 JOC Program), authorized advertising for bids, and supported the lowest bid price as the basis of award. The JOC 2023 Bid Openings occurred on July 20, 2023, and July 21, 2023 during which a total of 6 bids were received for Roads & Bridges, a total of 5 bids were received for Facilities, and a total of 7 bids were received for Emergency Repair Work (see Attachment A). The Road & Bridges program includes 2 more contracts than the Facilities program due to the greater volume of work. During the January 2023 and March 2023 Winter Storms and Flooding, these JOC Contracts were crucial and instrumental in responding to the emergencies and helping the County recover and restore services from the disaster events. However, the tradeoff was a reduced ability to perform planned non-emergency projects that were in the capital plans and adopted budget expeditiously. Learning from this experience, the 3 Emergency Repair Work projects were added to the 2023 JOC Program to meet PWWP's need for large-scale emergency response such as that needed during the 2023 Winter Storm events. Similarly in previous years, PWWP has utilized its own Road and Bridges contracts during emergency events, which impacted the ability to complete non-emergency work. Creating separate Emergency Repair Work contracts will meet the County's need for emergency work while also keeping Road & Bridges contracts available for planned projects.

Per the process set forth by the JOC 2023 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 recommended action approves the award of (6) Roads & Bridges JOC 2023 Contracts, (4) Facilities JOC 2023 Contracts, (3) Emergency Repair Work JOC 2023 Contracts and associated Performance and Payment Bonds provided by the respective contractors. In addition, this action will authorize the Director of PWWP or the assigned designee to approve, in accord with the Office of County Counsel, future increases to Facilities

JOC Performance and Payment Bonds up to the maximum contract value of \$5,797,275. This recommendation reflects the (6) lowest responsible and responsive bids for the Roads & Bridges Contracts, the (4) lowest responsible and responsive bids for the Facilities Contracts and (3) lowest responsible and responsive bids for the Emergency Repair Work Contracts. The JOC 2023 Contracts are for a term of (1) year from the date signed by the County.

The current state and local JOC Policy Guidelines do not provide for selection based on local preference, and following direction by Board Order 23-451, adopted on June 6, 2023, staff implemented lowest bid solicitations as the preferred process for 2023 JOC awards. 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” and have a local office. PWWP staff reviewed and confirmed that the JOC contractors recommended for award, indeed have local offices with staffing.

DISCUSSION:

On June 6, 2023, the Board adopted the County of Monterey 2023 JOC Construction Task Catalogs and Project Specifications for the 2023 JOC Program, authorized advertising for bids, and support of lowest bid price as the basis of award.

PWWP followed the notification procedures outlined in the JOC Project Specifications for Roads & Bridges, Facilities and Emergency Repair Work. The JOC 2023 Projects were duly advertised. Of the 6 bids submitted for Roads & Bridges, 2 bids were submitted by contractors that have main offices within the Monterey Bay Area (Monterey, San Benito and Santa Cruz Counties) and 4 bids were submitted by contractors that have main offices outside the Monterey Bay Area. Of the 5 bids submitted for Facilities, all 5 bids were submitted by contractors with a main office outside of the Monterey Bay Area. Of the 7 bids submitted for Emergency Repair Work, 3 bids were submitted by contractors that have main offices within the Monterey Bay Area and 4 bids were submitted by contractors that have main offices outside the Monterey Bay Area. Bids were submitted by the following contractors:

JOC Facilities 2023

Angeles Contractor, Inc.*
City of Industry, CA

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

Quincon, Inc.*
Grover Beach, CA

Staples Construction
Ventura, CA

R.F. Koerber Inc.*
Paso Robles, CA

JOC Roads & Bridges 2023

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

The Don Chapin Co., Inc.*
Salinas, CA

Granite Rock Company*
San Jose, CA

Papich Construction Company, Inc.*
Arroyo Grande, CA

Granite Construction Company*
Watsonville, CA

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

JOC Emergency Repair Work 2023

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

The Don Chapin Co., Inc.
Salinas, CA

Granite Rock Company
San Jose, CA

Papich Construction Company, Inc.*
Arroyo Grande, CA

Granite Construction Company*
Watsonville, CA

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

Monterey Peninsula Engineering
Monterey, CA

* Note: lowest responsible and responsive bidders

The JOC 2023 Bid Openings occurred on July 20, 2023, and July 21, 2023 in the Board of Supervisors Chambers. Representatives from the Office of the County Counsel 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.

In accordance with California Public Contract Code section 20128.5 and the JOC 2023 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 V, Item 10) have been included. The Award Criteria Figure is a formula based on the adjustment factors applied to the Gordian's Monterey County 2023 JOC Construction 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, see Attachment V).

The lowest responsive and responsible bidders for JOC 2023, determined by the Award Criteria Figures are listed below. Proposed Roads & Bridges agreements are provided in Attachments V through G. Proposed Facilities agreements are provided in Attachments H through K. Proposed Emergency Repair Work agreements are provided in Attachments L through N. Associated performance and payment bonds are provided in Attachments O through AA.

JOC Roads & Bridges:

2023-01 Granite Construction Company

- 2023-02 Papich Construction Company, Inc.
- 2023-03 The Don Chapin Co., Inc.
- 2023-04 A. Teichert & Son, Inc. dba Teichert Construction
- 2023-05 Granite Rock Company
- 2023-06 Newton Construction & Management, Inc.

JOC Facilities:

- 2023-01 Newton Construction & Management, Inc.
- 2023-02 Quincon, Inc.
- 2023-03 Angeles Contractor, Inc.
- 2023-04 R.F. Koerber, Inc.

JOC Emergency Repair Work:

- 2023-01 Granite Construction Company
- 2023-02 Papich Construction Company, Inc.
- 2023-03 A. Teichert & Son, Inc. dba Teichert Construction

As a standard business practice, bidders are given twenty-four (24) hours to provide non-material, administrative corrections to their bid packet. One bidder, Granite Rock Company, omitted the Addendum No. 2 acknowledgement. Granite Rock Company provided the missing document within 24 hours from notification and was determined responsive after receipt of the Addendum No. 2 acknowledgement which was confirmed to be a non-material administrative correction.

Local Preference

The County Board of Supervisors has expressed its support for hiring local contractors on County construction projects to keep County dollars local and encourage a high standard of workmanship. Staff researched a Best Value Construction Contracting for Counties Pilot Program (Pilot Program) available to the County of Monterey as a potential alternative to the otherwise State-mandated lowest bid process as a way to encourage use of local contractors - this was created by the State Legislature known as SB 128. After review, staff determined the Pilot Program does not allow local-vendor preference to be used as a determining factor for award. The Pilot Program requires the following criteria be used if selecting a contractor based on best value (California Public Contract Code 20155.1.h):

(h) “Qualifications” means the financial condition, relevant experience, demonstrated management competency, labor compliance, and safety record of the bidder, and, if required by the bidding documents, some or all of the preceding qualifications as they pertain to subcontractors proposed to be used by the bidder for designated portions of the work. A county shall evaluate financial condition, relevant experience, demonstrated management competency, labor compliance, and safety record, using, to the extent possible, quantifiable measurements.

In addition, Public Contract Code Section 20155.4 provides as follows,

...best value contractor shall not be prequalified or shortlisted unless the contractor provides an enforceable commitment to the county that the contractor and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project....

Using Best Value requires the County to participate in, or require contractors to enter into, Project Labor Agreements, which the County has not participated in to date. The impact to the County's ability to utilize local vendors should the Best Value Program be implemented is unknown at this time. Under the current low-bid process, the PWFP JOC program maintained a local vendor subcontractor rate of at least 50% across all JOC projects in FY 2022/23.

On June 6, 2023, the Board approved and adopted lowest bid solicitations as the preferred process for the 2023 JOC awards. In the absence of an award mechanism for local-vendor preference to be used as a determining factor for the award of JOC contracts, staff will further encourage the awarded prime JOC contractors, to first subcontract to local vendors/subcontractors.

In addition, 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. PWFP 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 70% of their work with local Subcontractors. This percentage is a **decrease** from last year's 78%. When local vendors are not available to perform work due to scheduling or capacity issues, Contractors may utilize other subcontractors from outside the Monterey Bay Area. In addition, many subcontractors located in San Luis Obispo County are not considered "local" per the current policy but are in practice local to the south County area.

This year, for Facilities' Bids, the Board approved the successful bidders to furnish an initial payment bond and a performance bond for approximately Fifty Percent (50%) of the Maximum Contract Value, each in the amount of \$2,898,638. If the aggregate Job Orders issued under the awarded contract exceeds \$2,898,638 an increase in the Payment and Performance Bonds will be required in an amount not less than One Hundred Percent (100%) of the Maximum Contract Value (\$5,797,275). At no time may the sum of the issued Job Orders exceed the amount of the Payment and Performance Bonds. The successful bidders were required to provide a letter from the bonding company stating their ability to obtain Payment and Performance Bonds for the Maximum Contract Value. The initial bonding requirement for Roads & Bridges' Contracts remained set at One Hundred Percent (100%) of the Maximum Contract Value.

PWFP has operated within the framework set forth in the JOC 2023 Project Specifications for Contractor selection and requests Board of Supervisors approval to authorize the Director of PWFP or designee to execute the 13 Contracts with the lowest responsible and responsive bidders for JOC Roads & Bridges 2023, JOC Facilities 2023, and JOC Emergency Repair Work 2023, approve the corresponding Performance and Payment Bonds, and approve, in consultation with the Office of County Counsel, future increases to Facilities JOC Performance and Payment Bonds up to the maximum contract value of \$5,797,275

OTHER AGENCY INVOLVEMENT:

PWFP 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 Management and the Auditor-Controller's Office. The Office of the County Counsel and C/P attended the bid opening and reviewed all bids for conformance with applicable regulations. PWFP reviewed the bids for responsiveness. The Office of the County Counsel-Risk Management 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 individual Contracts recommended for award of 6 - 2023 JOC Roads and Bridges Contracts, 4 - 2023 JOC Facilities Contracts and 3 - 2023 JOC Emergency Repair Work Contracts would provide for a total of 13 individual Job Order Contracts, with a cap of up to \$5,797,275 per contract, for a cumulative total of \$75,364,757 under the 2023 JOC Program. Expenditures will be within and not exceed the Fiscal Year (FY) 2023-24 Adopted Budgets. Funding for JOC projects, including applicable The Gordian Group (Gordian) fees, is contained within the adopted FY 2023-24 budget allocations for various funds; 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 5% License Fee to utilize the JOC Program is payable to Gordian only if and when a Job Order is issued to a JOC contractor. Also, the County may utilize optional JOC Project Management services, as needed, for an additional 5.95% fee. Gordian 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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Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachments are on file with the Clerk of Board:

- Attachment A - Bid Summaries JOC R&B, FAC, ERW
- Attachment B - R&B 2023-01 Granite Construction Company

Attachment C - R&B 2023-02 Papich Construction Company, Inc.
Attachment D - R&B 2023-03 The Don Chapin Company, Inc.
Attachment E - R&B 2023-04 A. Teichert & Son, Inc. dba Teichert Construction
Attachment F - R&B 2023-05 Granite Rock Company
Attachment G - R&B 2023-06 Newton Construction and Management, Inc.
Attachment H - FAC 2023-01 Newton Construction and Management, Inc.
Attachment I - FAC 2023-02 Quincon, Inc.
Attachment J - FAC 2023-03 Angeles Contractor, Inc.
Attachment K - FAC 2023-04 R.F. Koerber, Inc.
Attachment L - ERW 2023-01 Granite Construction Company
Attachment M - ERW 2023-02 Papich Construction Company, Inc.
Attachment N - ERW 2023-03 A. Teichert & Son, Inc. dba Teichert Construction
Attachment O - R&B 2023-01 Granite Construction Company Bond
Attachment P - R&B 2023-02 Papich Construction Company, Inc. Bond
Attachment Q - R&B 2023-03 The Don Chapin Company, Inc. Bond
Attachment R - R&B 2023-04 A. Teichert & Son, Inc. dba Teichert Construction Bond
Attachment S - R&B 2023-05 Granite Rock Company Bond
Attachment T - R&B 2023-06 Newton Construction and Management, Inc. Bond
Attachment U - FAC 2022-01 Newton Construction and Management, Inc. Bond
Attachment V - FAC 2022-02 Angeles Contractor, Inc. Bond
Attachment W - FAC 2022-03 Quincon, Inc. Bond
Attachment X - FAC 2022-04 R.F. Koerber, Inc. Bond
Attachment Y - ERW 2023-01 Granite Construction Company Bond
Attachment Z - ERW 2023-02 Papich Construction Company, Inc. Bond
Attachment AA - ERW 2023-03 Teichert Construction Bond
Attachment BB - Award Criteria Figure Formula