



Board Report

File #: 21-852, Version: 2

- 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 \$5,185,091 to the following bidders: 2021-01 Granite Construction Company; 2021-02 Granite Rock Company; 2021-03 A. Teichert & Son, Inc. dba Teichert Construction; and 2021-04 Papich Construction Company, Inc.;
- 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 \$5,185,091 to the following bidders: 2021-01 Newton Construction & Management, Inc.; 2021-02 Quincon, Inc.; 2021-03 Jacob Construction & Design, Inc.; and 2021-04 Angeles Contractor, Inc.;
- c. Approve the Performance and Payment Bonds for Roads & Bridges JOC in the amount of \$5,185,091 each by Granite Construction Company; Granite Rock Company; A. Teichert & Son, Inc. dba Teichert Construction; and Papich Construction Company, Inc.;
- d. Approve the Performance and Payment Bonds for Facilities JOC in the amount of \$5,185,091 each by Newton Construction & Management, Inc.; Quincon, Inc.; Jacob Construction & Design, Inc.; and Angeles Contractor, Inc; and
- e. Authorize the Department of Public Works, Facilities, & Parks (PWFP) Director or the assigned designee to execute the Roads & Bridges and Facilities Job Order Contracts.
- f. Ratify the PWFP Director's determination that the bid package from Granite Construction Company was responsive upon receipt of the Addendum No. 1 Acknowledgement signature page which was confirmed to be a non-material administrative correction.

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 \$5,185,091:

- a. JOC Roads & Bridges 2021-01 Contract to Granite Construction Company, with a bid award criteria figure of 1.1115
- b. JOC Roads & Bridges 2021-02 Contract to Granite Rock Company, with a bid award criteria figure of 1.1140
- c. JOC Roads & Bridges 2021-03 Contract to A. Teichert & Son, Inc. dba Teichert Construction, with a bid award criteria figure of 1.1079
- d. JOC Roads & Bridges 2021-04 Contract to Papich Construction Company, Inc., with a bid award criteria figure of 1.1149

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 \$5,185,091:

- e. JOC Facilities 2021-01 Contract to Newton Construction & Management, Inc., with a bid award criteria figure of 1.0785

- f. JOC Facilities 2021-02 Contract to Quincon, Inc., with a bid award criteria figure of 1.1165
- g. JOC Facilities 2021-03 Contract to Jacob Construction & Design, Inc., with a bid award criteria figure of 1.1222
- h. JOC Facilities 2021-04 Contract to Angeles Contractor, Inc., with a bid award criteria figure of 1.1480

Approve the following Performance and Payment Bonds for Roads & Bridges JOC in the amount of \$5,185,091:

- i. Performance and Payment Bonds executed and provided by Granite Construction Company
- j. Performance and Payment Bonds executed and provided by Granite Rock Company
- k. Performance and Payment Bonds executed and provided by A. Teichert & Son, Inc. dba Teichert Construction
- l. Performance and Payment Bonds executed and provided by Papich Construction Company, Inc.

Approve the following Performance and Payment Bonds for Facilities JOC in the amount of \$5,185,091:

- m. Performance and Payment Bonds executed and provided by Newton Construction & Management, Inc.
- n. Performance and Payment Bonds executed and provided by Quincon, Inc.
- o. Performance and Payment Bonds executed and provided by Jacob Construction & Design, Inc.
- p. Performance and Payment Bonds executed and provided by Angeles Contractor, Inc.

Authorize the PWFDP Director or assigned designee to execute JOC 2021 Contracts:

q. JOC Roads & Bridges 2021-01 with Granite Construction Company; JOC Roads & Bridges 2021-02 with Granite Rock Company; JOC Roads & Bridges 2021-03 with A. Teichert & Son, Inc. dba Teichert Construction; JOC Roads & Bridges 2021-04 Papich Construction Company, Inc.; JOC Facilities 2021-01 with Newton Construction & Management, Inc.; JOC Facilities 2021-02 with Quincon, Inc.; JOC Facilities 2021-03 Jacob Construction & Design, Inc.; and JOC Facilities 2021-04 Angeles Contractor, Inc.

r. Ratify the PWFDP Director's determination that the bid package from Granite Construction Company was responsive upon receipt of the Addendum No. 1 Acknowledgement signature page which was confirmed to be a non-material administrative correction.

SUMMARY:

On July 27, 2021, the Board adopted the Monterey County 2021 JOC Construction Task Catalogs and Project Specifications for the JOC 2021 Contracts (2021 JOC Program), authorized advertising for bids, and supported the lowest bid price as the basis of award. The JOC 2021 Bid Opening occurred on September 10, 2021 during which a total of six (6) bids were received for Facilities and a total of seven (7) bids were received for Roads & Bridges (see Attachment A).

Per the process set forth by the JOC 2021 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 four (4) Roads & Bridges JOC 2021 Contracts, four (4) Facilities JOC 2021 Contracts, and associated Performance and Payment Bonds provided by the respective contractors. This recommendation reflects the four (4) lowest responsible and responsive bids for the Roads & Bridges Contracts and the four (4) lowest responsible and responsive bids for the Facilities Contracts. The JOC 2021 Contracts are for a term of one (1) year from date signed by County.

The current JOC Policy Guidelines does not provide for selection based on local preference, and as a result of Board Order 21-630, adopted on July 27, 2021, staff recommended the Board find and approve lowest bid solicitations as the preferred process for 2021/22 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 July 27, 2021, the Board adopted the Monterey County 2021 JOC Construction Task Catalogs and Project Specifications for the JOC 2021 Contracts (2021 JOC Program), authorized advertising for bids, and support of lowest bid price as the basis of award.

The Department of Public Works, Facilities, & Parks (PWWP) followed the notification procedures outlined in the JOC Project Specifications for Roads & Bridges and Facilities. The JOC 2021 Projects were duly advertised. Six (6) bids were submitted for Facilities; one (1) bid was submitted by a contractor with a main office within the Monterey Bay Area and five (5) bids were submitted by contractors with a main office outside of the Monterey Bay Area (Monterey, San Benito and Santa Cruz County). Seven (7) bids were submitted for Roads & Bridges; three (3) bids were submitted by contractors that have main offices within the Monterey Bay Area and four (4) bids were submitted by contractors that have main offices outside the Monterey Bay Area. Bids were submitted by the following contractors:

JOC Facilities 2021

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

Ausonio Incorporated
Castroville, CA

JOC Roads & Bridges 2021

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

Papich Construction Company, Inc.*
Arroyo Grande, CA

Quincon, Inc.
Grover Beach, CA

* Note: lowest responsible and responsive bidders

The JOC 2021 Bid Opening was held on September 10, 2021 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.

In accordance with California Public Contract Code section 20128.5 and the JOC 2021 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 R, Item 10) have been included. The Award Criteria Figure is a formula based on the adjustment factors applied to the Gordian's Monterey County 2021 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 R).

The lowest responsive and responsible bidders for JOC 2021, determined by the Award Criteria Figures are listed below. Proposed Roads & Bridges agreements are provided in Attachments B through E, and proposed Facilities agreements are provided in Attachments F through I. Associated performance and payment bonds are provided in Attachments J through Q.

JOC Roads & Bridges:

- 2021-01 Granite Construction Company
- 2021-02 Granite Rock Company
- 2021-03 Teichert & Son, Inc. dba Teichert Construction
- 2021-04 Papich Construction Company, Inc.

JOC Facilities:

- 2021-01 Newton Construction & Management, Inc.
- 2021-02 Quincon, Inc.
- 2021-03 Jacob Construction & Design, Inc.
- 2021-04 Angeles Contractor, Inc.

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 Construction Company, acknowledged Addendum No. 1 on their original bid form but omitted the Addendum Acknowledgment signature page in the bid package. Granite Construction provided the missing document within twenty-four (24) hours and was determined responsive after receipt of Addendum No. 1 Acknowledgement signature page 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 (Program) available to Monterey County 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 Program does not allow local-vendor preference to be used as a determining factor for award. The Program

requires the following criteria be used if selecting a contractor based on best value (CA Code 20155.1.h):

- Financial Condition
- Relevant Experience
- Demonstrated Management Competency
- Labor Compliance
- Safety Record

In addition, the Program specifically states in Section 20155.4 "...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 PWFJ JOC program maintained a local vendor subcontractor rate of at least 50% across all JOC projects in FY 2020/21.

On July 27, 2021, the Board approved and adopted lowest bid solicitations as the preferred process for the 2021/22 JOC awards. In absence of the award mechanism, staff will further encourage the awarded prime JOC contractors, to first subcontract to local vendors/subcontractors.

In addition, the current Board approved JOC Program adopted in 2013 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. PWFJ 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-one percent (91%) of their work with local Subcontractors.

PWFJ has operated within the framework set forth in the JOC 2021 Project Specifications for Contractor selection and requests Board of Supervisors approval to authorize the Director of PWFJ or designee to execute the eight (8) Contracts with the lowest responsible and responsive bidders for JOC Facilities 2021 and JOC Roads & Bridges 2021 and approve the corresponding Performance and Payment Bonds.

OTHER AGENCY INVOLVEMENT:

PWFJ 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. PWFJ 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 individual Contracts recommended for award of four (4) 2021 JOC Facilities Contracts and

four (4) 2021 JOC Roads and Bridges Contracts would provide for a total of eight (8) individual Job Order Contracts, with a cap of up to \$5,185,091 per contract, for a cumulative total of \$41,480,728 under the 2021 JOC Program. Expenditures will be within and not exceed the Fiscal Year (FY) 2021-22 Adopted Budgets. Funding for JOC projects, including applicable The Gordian Group (Gordian) fees, is contained within the adopted FY 2021-22 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 Gordian 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. 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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The following attachments are on file with the Clerk of Board:

Attachment A - Bid Summaries JOC R&B 2021-01 to 2021-04 & JOC FAC 2021-01 to 2021-04

Attachment B - JOC R&B 2021-01 Granite Construction Agreement

Attachment C - JOC R&B 2021-02 Granite Rock Company Agreement

Attachment D - JOC R&B 2021-03 Teichert Construction Agreement

Attachment E - JOC R&B 2021-04 Papich Construction Agreement

Attachment F - JOC FAC 2021-01 Newton Construction Agreement

Attachment G - JOC FAC 2021-02 Quincon, Inc. Agreement

Attachment H - JOC FAC 2021-03 Jacob Construction Agreement

Attachment I - JOC FAC 2021-03 Angeles Contractor Agreement

Attachment J - JOC R&B 2021-01 Granite Construction Company Bond

Attachment K - JOC R&B 2021-02 Granite Rock Company Bond

Attachment L - JOC R&B 2021-03 Teichert & Son, Inc. dba Teichert Construction Bond

Attachment M - JOC R&B 2021-04 Papich Construction Company, Inc. Bond

Attachment N - JOC FAC 2021-01 Newton Construction & Management, Inc. Bond

Attachment O - JOC FAC 2021-02 Quincon, Inc. Bond

Attachment P - JOC FAC 2021-03 Jacob Construction and Design, Inc. Bond

Attachment Q - JOC FAC 2021-03 Angeles Contractor, Inc. Bond

Attachment R - JOC Award Criteria Figure Formula