



County of Monterey

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

Board Report

File #: 20-812, **Version:** 1

- 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.; 2020-02 Gustav Keoni dba Precision Construction Services; and 2020-03 Jacob Construction & Design, Inc.;
- 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.; Gustov Keoni dba Precision Construction Services; and Jacob Construction & Design, Inc.; and
- e. Authorize the RMA Director or the assigned designee to execute the Roads & Bridges and Facilities Job Order Contracts.

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
- f. JOC Facilities 2020-03 contract to Jacob Construction & Design, Inc., with a bid award criteria figure of 1.1562

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

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

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

Authorize the RMA Director or assigned designee to execute contracts:

- m. 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.; JOC Facilities 2020-02 with Gustav Keoni dba Precision Construction Services; and JOC Facilities 2020-03 with Jacob Construction & Design, Inc.

SUMMARY:

The recommended action allows for the issuance of three (3) Roads & Bridges JOC 2020 contracts and three (3) Facilities JOC 2020 contracts and approval of the Performance and Payment Bonds provided by the respective Contractors. The contracts are for a term of one (1) year from date signed by County.

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 versus 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 provide assistance to 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 three (3) 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.

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

The JOC 2020 Projects were duly advertised, and bids were opened on September 16, 2020. The lowest responsive and responsible bidders, determined by the award criteria figures, follow:

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
- 2020-03 Jacob Construction & Design, Inc.

Quincon, Inc. was initially listed as the apparent low bidder for JOC Facilities 2020-03. However, the bid submitted by Quincon, Inc. for JOC Facilities 2020-03 was missing the required two (2) signed addendums which made their bid unresponsive because it was incomplete.

JOC 2020 contracts will be effective upon award and are for a term of one (1) year from the date 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.

Each Contractor has represented that its workforce is primarily Monterey Bay Area residents or has certified to make a good faith effort to employ Monterey Bay Area residents on each Job Order proposal in compliance with Section 5.08.120 of the Monterey County Code. Each Contractor has an office located within the Monterey Bay Area.

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	\$69,397,907770	

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 20, 2020, after which any new Job Orders will be issued under the new JOC 2020 contracts which will be effective by October 21, 2020. The JOC 2020 contracts awarded to each of the six (6) 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 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 bonds 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 three (3) 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.

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 indemnification provisions, 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 \$30,590,508 under the JOC Program, three (3) for Roads & Bridges and three (3) 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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Approved by: Carl P. Holm, AICP, RMA Director

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 2020-03
Attachment B-JOC R&B 2020-01 Granite Construction Company Agreement
Attachment C-JOC R&B 2020-02 Teichert & Son, Inc. dba Teichert Construction Agreement
Attachment D-JOC R&B 2020-03 Granite Rock Company Agreement
Attachment E-JOC FAC 2020-01 Newton Construction & Management, Inc. Agreement
Attachment F-JOC FAC 2020-02 Gustav Keoni dba Precision Construction Services Agrmt
Attachment G-JOC FAC 2020-03 Jacob Construction & Design, Inc. Agreement
Attachment H-JOC R&B 2020-01 Granite Construction Company Bonds
Attachment I-JOC R&B 2020-02 Teichert & Son, Inc. dba Teichert Construction Bonds
Attachment J-JOC R&B 2020-03 Granite Rock Company Bonds
Attachment K-JOC FAC 2020-01 Newton Construction & Management, Inc. Bonds
Attachment L-JOC FAC 2020-02 Gustav Keoni dba Precision Construction Services Bonds
Attachment M-JOC FAC 2020-03 Jacob Construction & Design, Inc. Bonds