

Board Report

## File #: 17-0988, Version: 1

a. Adopt the Natividad Medical Center Construction Task Catalog, Project Manuals, and Technical Specifications for the Job Order Contract Projects, Project No. JOC Bid Nos. NMC 2017-01, Bid Nos. NMC 2017-02, as part of the information to complete the Job Order Contract program; and
b. Authorize advertising the "Notice to Contractors" in a newspaper of general circulation.

## **RECOMMENDATION:**

It is recommended that the Board of Supervisors:

a. Adopt the Natividad Medical Center Construction Task Catalog, Project Manuals, and Technical Specifications for the Job Order Contract Projects, Project No. JOC Bid Nos. NMC 2017-01, Bid Nos. NMC 2017-02, as part of the information to complete the Job Order Contract program; and
b. Authorize advertising the "Notice to Contractors" in a newspaper of general circulation.

## SUMMARY/DISCUSSION:

Public Works 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. Job order contracting improves economy and efficiency in completing many public improvement projects, including urgent and time sensitive projects.

In April 2013, the Board of Supervisors approved an Agreement between the County of Monterey and The Gordian Group, Inc. to provide the County with JOC System. Natividad Medical Center has engaged with the Gordian Group to develop a Construction Task Catalog (CTC). The CTC is based on local construction costs (labor, equipment and materials) identifying particular standard equipment, finishes, labor, and life safety requirements to perform public works improvements in an Acute Care Hospital environment.

With the amount of capital projects slated for fiscal year (FY) 2018 it is recommended by the Gordian Group to advertise three Job Order Contracts for initial contract for \$2,000,000, with an option to extend the contract to a cap of \$4,500,000 each with \$25,000 worth of work guaranteed in each contract. Each contract would be awarded to two separate contractors allowing Natividad Medical Center the option to use the alternate contractor if one of the contractors is deemed nonresponsive or has poor performance. All Job Orders that exceeds \$1,000,000 per individual project will be brought to the Capital Improvement Committee (CIC) prior to issuing the notice to proceed. This contract will apply to projects listed in the FY 2017-18 Adopted Capital Budget, equipment installation and any facilities maintenance repair projects. The JOC contract will not exceed beyond a 12 month contract for issuing of job orders. Any capital and/or facilities maintenance repair project that enters into the following FY will be budgeted. After final approval by the Monterey County Board of Supervisors.

Job Order Contract expenditures will be within and not exceed the FYs 2017-18 adopted Budgets. The future fiscal year capital and operational budgets will be appropriately budgeted and approved prior to proceeding with expenditures. The Agreement is for two individual Job Order Contracts for \$2,000,000 with an option to extend the contract to a cap of \$4,500,000 for an initial contract total of \$4,000,000, with a potential total maximum cap of \$9,000,000. 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.

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## OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Agreement as to fiscal provisions.

<u>FINANCING:</u> Funding for the projects will come from NMC's Strategic Capital Reserve Fund. There is no impact to the General Fund.

# BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

\_\_ Economic Development

Administration

Health and Human Services

X Infrastructure

This advertisement allows Natividad Medical Center to bid Job Order Contracting contracts.

\_\_\_ Public Safety

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Attachments: NMC Construction Task Catalog, NMC Technical Specifications, NMC Project Manual 2017-2018

(Attachments on file with the Clerk of the Board)