



County of Monterey

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

Board Report

File #: 21-630, **Version:** 1

- a. Adopt the Monterey County 2021 Construction Task Catalogs, Job Order Contracting (JOC) 2021 - Roads & Bridges Project Specifications and JOC 2021 - Facilities Project Specifications, and Monterey County 2021 Technical Specifications for JOC 2021, Project No. JOC 2021, Bid No. Roads & Bridges 2021-01, Bid No. Roads & Bridges 2021-02, and Bid No. Roads & Bridges 2021-03, Bid No. Roads & Bridges 2021-04, and Project No. JOC 2021, Bid No. Facilities 2021-01, Bid No. Facilities 2021-02, Bid No. Facilities 2021-03, and Bid No. Facilities 2021-04;
- b. Authorize the Department of Public Works, Facilities, & Parks Director to advertise for bids in the Monterey County Weekly;
- c. Support lowest bid price as the basis of award for the FY 2021/22 JOC bids.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Adopt the Monterey County 2021 Construction Task Catalogs (Attachment A.1 and Attachment A.2), JOC 2021 - Roads & Bridges Project Specifications (Attachment B) and JOC 2021 - Facilities Project Specifications (Attachment C), and Monterey County 2021 Technical Specifications for JOC 2021 (Attachment D.1 and Attachment D.2), Project No. JOC 2021, Bid No. Roads & Bridges 2021-01, Bid No. Roads & Bridges 2021-02, and Bid No. Roads & Bridges 2021-03, Bid No. Roads & Bridges 2021-04, and Project No. JOC 2021, Bid No. Facilities 2021-01, Bid No. Facilities 2021-02, Bid No. Facilities 2021-03, and Bid No. Facilities 2021-04;
- b. Authorize the Department of Public Works, Facilities, & Parks (PWFP) Director to advertise for bids in the Monterey County Weekly; and
- c. Support lowest bid price as the basis of award for the FY2021/22 JOC bids.

SUMMARY:

Recommended actions include the adoption of the 2021 Monterey County JOC Task Catalogs for the JOC 2021 contracts (2021 JOC Program), advertising for bids (2021 JOC Program), and support lowest bid price as the basis of award for FY2021/22 JOC bids. Considering the many capital projects slated for Fiscal Years (FYs) 2021-22 and 2022-23, it is recommended that four (4) Roads & Bridges and four (4) Facilities Job Order Contracts be issued each for \$5,185,091 with a minimum of \$25,000 worth of work that the Contractor has the opportunity to perform in each contract. This is an increase in the number of contracts from the past convention of three (3) separate Road and Bridges and three (3) separate Facilities contracts.

The JOC program, in addition to the added number of JOC contracts from three (3) to four (4) for each division, will be an important tool to implement the FY 2021/22 5-year Capital Improvement Plan (CIP). The CIP includes numerous American Rescue Plan Act (ARPA) funded projects for Parks and Lakes, and the Special Districts. Continuing these services is a crucial component for being able to properly deliver on the construction of these ARPA-funded projects, in addition to other projects in the CIP or emergency response to disaster events.

DISCUSSION:

California Public Contract Code Section (PCC) 20128.5 provides that counties may award annual contracts for repair, remodeling, or other repetitive work to be done according to unit prices. This process is commonly referred to as JOC and is typically done by developing a construction task catalog that is then competitively

bid. JOC improves economy and efficiency in completing many public works projects, including urgent and time sensitive projects. The County's JOC program was initially approved and established by the Board of Supervisors (Board) on or about September 17, 2013 pursuant to Board Resolution No. 2013-305 - Resolution Approving the Job Order Contracting Policy Guidelines and Authorizing Issuance of Job Orders Pursuant to Job Order Contracting Policy Guidelines. Per Board Resolution No. 2013-305 and Board Resolution No. 2015-227 (File ID RES 15-076 No. 54) approved by the Board of Supervisors on July 28, 2015, said Policy Guidelines apply to all County departments and agencies that process Job Order Contracts and authorize the following Department Heads to process and approve Job Orders under JOC:

Director of the Public Works, Facilities & Parks Department (PWFP, formally Resource Management Agency);
Chief Executive Officer of the Natividad Medical Center (NMC);
Director of Information Technology Department (ITD).

In April 2013, the Board approved an Agreement between the County of Monterey and The Gordian Group, Inc. to provide the County with a JOC System. The Gordian Group, Inc. JOC System uses an extensive catalog of construction tasks and associated technical specifications containing over 260,000 individual items specifically designed for Monterey County. Per California Public Contract Code (PCC) Section 20128.5, the Board may award individual annual contracts which shall not exceed the statutory maximum contract value. Per PCC Section 20128.5, each awarded contract has a maximum contract value (MxCV) that is adjusted annually to reflect the percentage change in the California Consumer Price Index (CPI), for repair, remodeling, or other repetitive work to be done according to unit prices. The percentage change in the CPI is calculated and provided by the Department of Industrial Relations (DIR). Per DIR's annual determination, the MxCV for JOC contracts was increased from \$5,098,418 in 2020 to \$5,185,091 in 2021. County JOC specifications provide for a one (1) year term with a minimum of \$25,000 worth of work that the Contractor has the opportunity to perform for each individual contract.

County JOC specifications require Contractors to provide a letter from a bonding company stating their ability to obtain Payment and Performance Bonds for the MxCV. This year, for Facilities Bids, staff recommends that the County require the successful bidders to furnish an initial payment bond and a performance bond for approximately One Hundred Percent (100%) of the MxCV, each in the amount of \$5,185,091. The initial bonding requirement for Roads and Bridges Contracts remains set at One Hundred Percent (100%) of the MxCV. For Facilities bids, successful bidders shall furnish payment bonds and performance bonds, each in the amount of the MxCV of \$5,185,091 which bonds shall remain in force for the duration of the annual contract term and until completion of all outstanding Job Order(s).

Since its inception in 2013, the JOC program has proven of value to PWFP by improving economy and efficiency in completing several public works projects, including urgent and time sensitive projects. Since 2013, the County has issued 968 JOC projects totaling \$79,699,850 (including 376 Roads and Bridges projects totaling \$35,775,603 and 592 facilities projects totaling \$43,924,247). The JOC Program has enabled the County to implement a higher volume of maintenance, repair, and remodeling projects which would otherwise not be possible due to limited project management staff time.

A five percent (5%) License Fee to utilize the JOC Program is payable to The Gordian Group, Inc. 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, Inc. fees are contained in the overall eligible project budgets. The Gordian Group, Inc. hosts the JOC system and will require a separate agreement.

To date, the County has issued 968 JOC Projects totaling \$79,699,850. The Gordian Group, Inc. License Fee and project management fees totaled \$4,649,527 or an overall average of five and one-half percent (5.5%) of the total construction contract value to date. This fee is lower than the industry standard of ten percent (10%) for Construction Management fees.

A “Notice to Bidders” will be duly advertised in a newspaper of general circulation per PCC Section 20150.8. JOC 2021 contracts are anticipated to be awarded in October 2021. Specific eligible projects have not yet been identified.

The County’s JOC procurement process requires the PWFP to first seek Board approval to adopt plans and specifications and advertise for bids followed by a second request for Board approval to award selected contractors on basis of lowest bid price. PCC Section 20128.5 requires Board approval to award contracts to selected contractors.

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 (Best Value Pilot 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. The Best Value Pilot Program was created by the State Legislature through SB 128. After review, staff determined the Best Value Pilot Program does not allow local-vendor preference to be used as a determining factor for award. The Best Value Pilot Program requires the following criteria be used if selecting a contractor based on Best Value per PCC Section 20155.1(h):

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

In addition, the Best Value Pilot 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 Pilot 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 fifty percent (50%) across all JOC projects in FY 2020/21.

Staff recommends the Board find and approve lowest bid solicitations as the preferred process for the 2021/22 JOC awards. Consistent with the County’s local preference policy which is incorporated into the JOC Program Project Specifications, staff will encourage the awarded prime JOC contractors to subcontract to local vendors/subcontractors.

Following the selection of successful bidders, PWFP recommends awarding four (4) separate Roads and Bridges Contracts and four (4) separate Facilities Contracts to allow PWFP the option to use alternate contractors in the event that any of the selected contractors is/are deemed nonresponsive or has/have poor performance. Any Job Order that would exceed \$1 million will be brought to the Capital Improvement

Committee (CIC) and Budget Committee prior to issuing the Notice to Proceed. The contracts will apply to eligible projects during FYs 2021-22 and 2022-23. The individual annual JOC contracts will be issued for a 12-month contract period. Any capital and/or facilities maintenance repair project that falls into the following fiscal year will be budgeted. PWWP will continue to provide quarterly JOC status reports to the CIC which would include scope, cost, schedule, source of previously appropriated/expended funds, and contractor evaluations.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management, and Auditor-Controller's Office have reviewed and approved the Project Specifications as to form, insurance and indemnification, and fiscal provisions, respectively.

FINANCING:

The 2021 JOC Program would provide for eight (8) individual Job Order Contracts with a cap of \$5,185,091 for a total of \$41,480,728 including four (4) for Roads & Bridges and four (4) for Facilities. Expenditures will be within and not exceed the FY 2021-22 or FY 2022-23 Adopted Budgets. Funding for JOC projects, including applicable The Gordian Group, Inc. 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.

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. Monterey 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.

X Economic Development

X Administration

X Health & Human Services

X Infrastructure

X Public Safety

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

Attachment A.1 - Monterey County 2021 Roads & Bridges CTC

Attachment A.2 - Monterey County 2021 Facilities CTC

Attachment B - JOC 2021 Roads & Bridges Project Specifications
Attachment C - JOC 2021 Facilities Project Specifications
Attachment D.1 - Monterey County 2021 Roads & Bridges Technical Specifications
Attachment D.2 - Monterey County 2021 Facilities Technical Specifications
Exhibit 1: JOC License and Fee Agreement
Exhibit 2: Contractor Evaluation
Exhibit 3: CDBG Standard Provisions & Requirements
Exhibit 4: Federal Provisions-Caltrans
Exhibit 5: FEMA Standard Provisions and Requirements
Exhibit 6: Monterey County Cabling Specifications
Exhibit 7: Notice to Bidders