



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: General Services
Public Works
Department No.: 063/054
For Agenda Of: July 11, 2017
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: General Services Janette D. Pell, Director (805) 560-1011
Contact Info: Skip Grey, Assistant Director (805) 568-3083

Public Works Scott McGolpin, Director (805) 568-3010
Contact Info: Chris Sneddon, PW Assistant Director, Transportation
(805) 568-3064

SUBJECT: **Job Order Contracting Report and Second Amendment to Agreement with The Gordian Group**

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Public Works

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Receive and file a report on the pilot year of the Santa Barbara County Job Order Contracting (JOC) program and strategic plan for the second year;
- b) Approve and authorize the Chair to execute the Second Amendment to Agreement with The Gordian Group, Inc. to exercise the second option to renew the term for one additional year through September 22, 2018; and
- c) Find that the proposed actions are administrative or other fiscal activities that do not involve commitment to any specific project, and therefore not a "project" under the California Environmental Quality Act (CEQA) pursuant to 14 CCR 15378(b) (4), (b)(5).

Summary Text:

This action will authorize the Chair to execute the Second Amendment to The Gordian Group's Agreement, which will extend that agreement for an additional year. On July 19, 2016 the Board authorized actions establishing a Job Order Contracts program for the County of Santa Barbara. On September 20, 2016, four Job Order Contracts were awarded with a one year term. General Services and Public Works have implemented Job Orders on several projects, and recommend the program be extended, and contracts bid accordingly for the September 2017-2018 calendar year. The amendment to The Gordian Group contract will enable the firm to provide Job Order Contract program development, implementation, and management services for a second successive year as allowed under the original agreement. General Services and Public Works expect to return to the Board prior to the September 20, 2017 end date for the current Job Order Contracts (JOC), in order to request the Board award new contracts based on the forthcoming bid results.

Background:

A JOC is a competitively bid, firm fixed price contract that the County can use to complete countywide maintenance, repair, renovation, paving, and concrete projects. JOC utilizes unit pricing to reduce the level of effort for engineering, design, and contract procurement time. While the unit pricing method of the JOC contract encompasses a wide variety of renovation and repair, individual job orders are issued for a specific scope of work.

Staff has successfully implemented the JOC delivery system on projects ranging from parking lot resurfacing to interior renovations. Most notably, the Isla Vista Community Center Phase I alterations project presently under construction was awarded via the JOC program. The resulting bid fell within the construction budget, enabling the construction award to occur in a streamlined fashion with an expedited completion date as a result, which are the goals of the JOC program.

The plan for the second year of the JOC program is to award up to two contracts for the General Building Construction scope, and up to two contracts for Paving and Concrete Maintenance and Repair scope. The General Building Construction scope will be open to contractors holding a General Building Contractor, or "B," license from the State of California. The Paving and Concrete Maintenance and Repair scope will be open to contractors holding a General Engineering, or "A" license from the State of California. Each contract will have a minimum contract value of \$25,000, and each contractor will receive aggregate job orders totaling at least \$25,000 during the one-year contract term. Each contract's maximum contract value is initially set at \$1,000,000.

The changes to the program based on lessons learned, as well as forecasting future County needs, will include adjustment factors on the General Building Construction scope for work within special areas, such as detention facilities, and special language to conform with potential grant and federal funding sources. Staff also recommends expandability be included in the General Building Contracts to allow the contracts and bonds required of the contractors to be augmented from the \$1,000,000 basis of the bid up to \$4,000,000, should the project load warrant increasing the maximum amount allowable. The intent is to allow the program flexibility to facilitate deferred maintenance projects resulting from the Jail Upgrades Master Plan (JUMP) currently being developed for the County's main jail facility in the south county. Staff expects significant resource savings in implementing the JOC program on projects such as those associated with the main jail deferred maintenance backlog.

The County can award specific projects to either of the JOC contractors for a scope of work, and may award any project to one JOC Contractor based on factors such as performance. Once the contract

minimum of \$25,000 is reached, the County is under no obligation to order additional work from any contractor. This provides the JOC contractor a greater incentive to complete each job faster, and deliver high-quality construction to receive future projects through the JOC program.

This action will authorize the Chair to execute the Second Amendment to The Gordian Group's Agreement, which will extend that agreement for an additional year. Staff intends for the Chair to execute the Second Amendment at the same time that the four JOC contractor's agreements are executed, but in no event later than the date on which The Gordian Group's Agreement would otherwise expire, September 22, 2017.

Performance Measure:

As outlined in Section 7 Standard of Performance in the original Agreement for Services, The Gordian Group continues to perform in the manner and according to the standards observed by a competent practitioner of the same profession. The Gordian Group has delivered products in a first class and workmanlike manner and it is expected they will continue to conform to the standards of quality already observed.

CEQA:

The proposed administrative actions do not constitute a project within the meaning of the California Environmental Quality Act (CEQA) pursuant to 14 CCR 15378(b)(4), (b)(5). Projects under consideration for JOC awards will be analyzed individually under CEQA.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Narrative:

The JOC program is funded through the budget allocations of individual projects. Once an individual project uses the JOC program the project will also fund the Gordian fees. Gordian charges a 5% License and Job Order Development Fee when a job order is issued to a JOC contractor. The maximum cost to Gordian will be \$500,000 (5% of potential \$10.0 million in contracts: two (2) building contracts of \$4.0 million each and two (2) paving contracts of \$1.0 million each) if the County chooses to exercise the option to increase the General Building Construction Contracts. As with all projects performed by General Services, depending on the Departments requesting work appropriate for inclusion in the JOC program, the costs, along with other project soft costs, may potentially be funded by sources beyond the General Fund.

Key Contract Risks:

Gordian's job order development and license fees are contingent upon awarding job orders, therefore this action does not commit the County to any project or fees until such time as the second year of Job Order Contracts are awarded. Once the year two JOC contracts are awarded, staff projects sufficient volume to meet the minimum spend amounts based on the volume of projects meeting the JOC criteria; nonetheless, the County will be subject to a minimum of \$25,000 per contract.

Staffing Impacts:

None

Special Instructions:

Provide one (1) duplicate original of the Amendment and a Minute Order to Celeste Manolas, Capital Projects Manager, General Services Department

Attachments:

1. 2016-2017 Santa Barbara County JOC Project Status
2. Second Amendment – The Gordian Group; One (1) original; one duplicate original
3. First Amendment – The Gordian Group
4. Original Agreement for Professional Services – The Gordian Group
5. CEQA Notice of Exemption

Authored by:

Celeste Manolas, Capital Projects Manager, General Services Department