



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,
Community Services,
Public Works
Department No.: 063/057/054
For Agenda Of: Sept. 22, 2015
Placement: Departmental
Estimated Tme: 15 Minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: General Services Matthew P. Pontes, Director (805) 560-1011
Community George Chapjian, Director (805) 568-2467
Services Dept.
Public Works Scott McGolpin, Director (805) 568-3005

Contact Info: Greg Chanis, GS Assistant Director (805) 568-3096
Paddy Langlands, CSD Deputy Director, Parks Div. (805) 568-2475
Chris Sneddon, PW Assistant Director, Transportation (805) 681-4966
SUBJECT: Award Services Contract for Job Order Contract Management Services;
All Districts

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Risk Management: As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve and authorize the Chair to execute a Professional Services Agreement provided herein as Attachment A, with The Gordian Group, of Greenville, South Carolina, in the Not-to-Exceed amount of \$200,000, to provide Job Order Contracting program development, implementation, and management services, for an initial contract term of one (1) year; and
- b) Determine that the proposed action is not a “project” as defined by California Environmental Quality Act (CEQA) Guidelines Section 15378(b) (5), as it is an administrative activity that will not result in direct or indirect changes in the environment, (see Attachment B).

Summary Text:

Awarding this service contract will provide the first step toward the County of Santa Barbara acquiring a new procurement tool to expedite the repair, remodeling or other repetitive work for infrastructure, buildings, structures, or other real property. The service contract will develop an indefinite quantity (subject to a BOS approved 'Not- to-Exceed' amount) contract known as a Job Order Contract (JOC), that will be competitively bid, then brought back to the Board for award to the lowest responsible bidder. A JOC will provide cost benefit and reduced procurement time as experienced by many local agencies across the State currently participating in this process.

Background:

Public Works Contract Code Section 20128.5 provides that counties may award annual contracts for the "repair, remodeling or other repetitive work" for infrastructure, buildings, structures, or other real property" to be awarded according to unit prices. This is commonly referred to as JOC construction, and is typically done by developing a construction task catalog for each item. A JOC is a competitively bid, firm fixed unit price, non-specific scope contract. The JOC process substantially reduces the level of front end work otherwise needed to plan, develop, bid, and award contracts, resulting in a reduction in the time and cost required for developing and delivering a project.

JOC's are contracts which are competitively bid and awarded to the lowest responsible bidder, providing the public entity the ability to solicit competitive bids for qualified work in one annual solicitation, instead of repeating the process for each individual job. Staff finds that JOC construction may improve efficiency and provide additional value in completing many of the Counties facilities, parks and public works projects, including urgent and time sensitive projects. Currently 20 counties across the state have implemented JOC programs to complete millions of dollars' worth of work; some for over a decade. As an example, Santa Clara County has used the JOC method of contracting since 2002, and has built over \$39 million worth of construction utilizing six different contractors acting under twelve individual JOC contracts. Counties including Los Angeles, Sonoma, San Diego, Monterey and Riverside also utilize JOC and report substantial savings in procurement time, with similar or better cost value. In addition, more than 200 public agencies throughout the United States and Canada are utilizing JOC - these include federal agencies such as the U.S. Department of Defense, and state agencies such as the University of California and California State University systems.

Staff has determined given the sheer volume of the County's relatively small, maintenance projects, the County may benefit from the ability to utilize JOC as an additional construction delivery method. JOC may be an effective tool in helping the County complete deferred maintenance projects that were identified in the Jorgensen Report and improve responsiveness to urgent and time sensitive projects. Should the Board approve the recommended services contract, GS would manage the JOC program and make it available to other County departments that manage these types of projects.

Creating a JOC program involves developing contract documents, including technical specifications and a unit price book, in this case, Gordian Group's (Gordian) Construction Task Catalog[®]. This unit price book is then competitively bid and awarded to a "JOC contractor." Typically, these contracts are bid to general building contractors and any interested 'B' license contractor may compete for them. A JOC contractor agrees to perform work according to the prices in the Construction Task Catalog[®] multiplied by a percentage factor that is identified in its bid. A JOC construction contract is akin to having an on-call contract with a construction contractor that includes predetermined prices for the work to be performed.

As individual projects are initiated, scopes of work will be developed and job orders will be issued to the JOC contractor. Because multiple projects can be worked on simultaneously, projects can be completed more efficiently. With Gordian's JOC software system, projects can be tracked more effectively and efficiently than currently possible. The County is under no obligation to issue specific projects to a JOC contractor, providing the JOC contractor a greater incentive to complete each job faster, and deliver high-quality construction in order to receive future projects through the JOC program. Typically, a certain amount of work, such as \$25,000 annually, is guaranteed to the JOC contractor to encourage bidding; this amount will be determined prior to the actual bidding of the JOC construction contracts.

Gordian's services will include developing technical specifications, Construction Task Catalog[®], bid documents and contract and general conditions; assisting the development of project scopes of work; facilitating the issuance of job orders; and managing the JOC process utilizing web-based software applications. Gordian has developed an extensive database of construction tasks and associated technical specifications that contain over 280,000 individual items. The catalog Gordian will develop under this agreement will be designed specifically for Santa Barbara County. Each task within the catalog will take into consideration local construction costs for labor, equipment, and materials. During the development and implementation of the JOC program, Gordian will conduct informational meetings with representatives from the Building Trades Councils, local unions, and the construction community within Santa Barbara County, and will perform necessary reporting to the Department of Industrial Relations for prevailing wage requirements. In summary, Gordian will provide an integrated system incorporating program development, document development, procurement support, computer software, customized forms, management procedures, written manual, and ongoing training for Santa Barbara County employees and the local contractor business community.

As part of the services provided for in the attached contract, Gordian will develop three (3) Construction Task Catalog[®] one for each of the following trades:

1. Asphalt Work, including repair and slurry seal
2. Painting
3. Carpeting

By awarding contracts to specific trade contractors, the County may save an estimated 15% mark-up that would otherwise be applied to the cost if the work was performed by a general contractor.

Upon completion of preparing the work specifications and the bid packages, staff will return to the Board for approval to advertise for bids for the Construction Task Catalog[®]. Upon completion of solicitation of bids and identification of the apparent lowest responsible bidders, staff will return to the Board for the award of those bids, and eventually for the award of contracts for projects that exceed \$175,000. The term of the contract is for one year, and provides for the option to award up to four (4) additional one year terms.

Fiscal and Facilities Impacts:

Funds for these services are contained within the approved budget allocations of each individual project that may choose to utilize the JOC method. There are no upfront costs to develop the JOC program for Santa Barbara County. Gordian charges a 5% License and Job Order Development Fee if and when a job order is issued to a JOC contractor, based on the value of the work.

Key Risks:

Under the terms of the proposed agreement, Gordian Group will only receive a 5% License and Job Order development Fee if and when a Job Order is issued to a contractor. Therefore, there is little risk associated with approval of this contract.

Special Instructions:

Direct the Clerk of the Board to forward one (1) duplicate original Agreement and two (2) copies of the Certified Minute Order to Greg Chanis, General Services Department.

Attachments:

Attachment A: Agreement for Services of Independent Contractor (1 original; 1 duplicate original)

Attachment B: CEQA Notice of Exemption

Attachment C: PowerPoint Presentation

Authored by:

Greg Chanis, Assistant Director

General Services Department, 568-3096