



**CALAVERAS COUNTY BOARD OF SUPERVISORS AGENDA SUBMITTAL**

<b>Short Name/Subject</b> Job Order Contracting	<b>Board Meeting Date</b> July 23, 2019	<b>Agenda Number</b> <b>23</b>
<b>Dept:</b> Public Works <b>Contact:</b> Joshua Pack <b>Phone:</b> 209/754-6402	<b>Supervisory District Number</b> Countywide	Regular Agenda
<b>Published Notice Required?</b> No <b>Public Hearing Required?</b> No		<b>Estimated Time:</b> 30 Minutes
<b>Type of Document?</b> Non Resolution Agreement <b>PowerPoint Presentation Included?</b> Yes <b>Budget Transfer Included (Must be signed by Auditor)?</b> No <b>Complete Agreement Required?</b> No <b>Position Allocation Change?</b> No		

**RECOMMENDATION:**

Authorize the Board Chair to execute an Agreement with The Gordian Group, Inc. for the provision of Job Order Contracting services in an amount not to exceed \$600,000 for the three year period of July 24, 2019 through June 30, 2022.

**DISCUSSION/SUMMARY:**

Currently, many county projects are delivered using the traditional Design, Bid, and Build (DBB) process. Under most circumstances, each individual project require separate Board of Supervisors actions that may include the approval of project plans and specification and contract award. This process takes considerable time and staff resources and impacts the county's ability to timely deliver critical county projects. With this in mind, county staff is considering a more simplified and efficient process to implement critical projects.

Job Order Contracting (JOC) is an alternative project delivery process that allows contractors to complete a substantial number of individual projects with a single bid. The California Public Contract Code (PCC) §20128.5 allows counties to utilize JOC by approving the award of individual annual contracts not to exceed \$3,000,000 for repairs, remodeling, maintenance, and other repetitive work to be done according to fixed unit prices. JOC may not be used for new construction. JOC lasts for a fixed term or until the maximum dollar amount of the contract has been expended, whichever occurs first, in which a contractor is selected based on a competitive bid to perform various separate job orders in the future, during the life of the contract. Procurement for the JOC process must follow the requirements of California PCC §22030, et seq.

JOC is typically used for well-defined, recurring, or repetitive work where quick execution is essential. It is an appropriate delivery method for any type of routine or repetitive work, such as roadway resurfacing, emergency road repairs, facility maintenance and repairs, bridge maintenance, and building remodels. It allows for a longer relationship with the selected contractors as various job orders issued under the contract are performed during the contract term. Because the contractor has been selected and the unit price is fixed (by the project task catalog and the contractor's adjustment factor), JOC allows contractor input prior to design, which can expedite the work and save money while providing increased transparency and auditability.

Currently, more than twenty California counties have implemented JOC programs including San Joaquin County, Stanislaus County, El Dorado County, and Sacramento County. 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. JOC has proven to reduce costs, save time, and increase productivity for agencies that utilize JOC as part of their project delivery strategy.

The Gordian Group, Inc. (Gordian) provides JOC related products and services that are unique and highly specialized. Gordian is the only firm in the nation that provides JOC solutions with single point responsibility for all of the products and services necessary for a turnkey JOC program. Their JOC solutions are provided with in-house staff and include the proprietary data, technology, processes, and staff resources necessary for a successful JOC program. Gordian assembles bid documents that covers all types of county project needs. They assist in bidding and contracting annual contracts with contractors to more efficiently deliver multiple projects. With construction contractor contracts in place, county departments can deliver projects more timely and efficiently. The service that Gordian provides is paid by the individual project that is implemented. The cost to provide this service for each project is 5.06% of the project cost. Payment of this fee is detailed in the fiscal section of this report.

It is recommended to procure a contract with Gordian by piggybacking their existing contract with Sourcewell (formally the National Joint Powers Alliance or NJPA). Sourcewell is a public agency operating under the enabling authority outlined in Minnesota Statute 123A.21 and California State Statute 6500-6509, which allows participating nationwide government and education agencies ("Members") to reduce the cost of purchasing by leveraging their combined national purchasing power through cooperative efforts. Sourcewell awarded Gordian their first contract in 2007 to provide JOC Complete Solution® for the benefit of their Members. Sourcewell subsequently awarded Gordian's most recent contract on September 14, 2015. Both contracts with Gordian were secured through a competitive bidding process. This process has been reviewed by County purchasing agents and verified to be compliant with County requirements.

Gordian's services will include the development and maintenance of a JOC catalog, also known as a unit price book that contains individual construction tasks for all aspects for general conditions, maintenance, repair, remodeling and construction of projects identified by the County. Gordian will also provide training and support to Calaveras County personnel and contractors for the implementation and success of the JOC program.

It is anticipated that the JOC contract will be used for a variety of Public Works and Facilities projects identified in their respective Capital Improvement Programs and may also be used for other emergency and routine maintenance and repair needs. Each individual construction project will include Gordian contracting costs as part of the project costs. The total expense for JOC will be paid by its fair share per construction project.

#### **FINANCING:**

The License Fees for the JOC Complete Solution®, which consist of a client paid license fee ("County License Fee") of 1.98% of the value of work ordered, and a Job Order Development Fee of 3.08% of the value of work ordered, are paid by the County.

A contractor paid license fee ("Contractor License Fee") of 1.00% of the value of the work

ordered is paid by the JOC contractor. The Contractor License Fee shall be invoiced to the JOC contractor and is not a cost assessed to the County.

Staff is recommending a maximum not to exceed contract amount of \$600,000 for the period of July 23, 2019 through June 23, 2022. The contract would be eligible for up to two (2) additional annual renewals approved by the Board of Supervisors. There are no initial up-front costs, as the 5.06% fees are assessed when individual job orders are issued by county staff. All costs will be paid by each individual project funding in the most recently adopted operating budget and applicable Capital Improvement Programs.

**ALTERNATIVES:**

The Board could consider not approving a contract with Gordian to provide JOC program development and implementation services. This is not recommended, as failure to consider alternate bidding procedures could create significant delays and require additional staff resources to delivery projects using the traditional DBB process.

**APPROVED BY:**



Joshua Pack, Public Works Director

6/27/2019



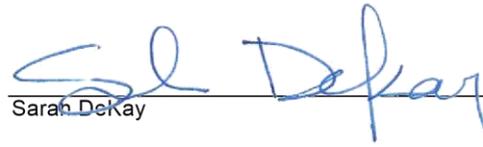
Diane Severud, Deputy Clerk of the Board of Supervisors

7/3/2019



Albert Alt, County Administrative Officer

7/13/2019



Sarah DeKay

7/17/2019