



Legislation Details (With Text)

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On agenda: 4/22/2014 **Final action:** 3/4/2014

Title: Chief Administrative Office, Procurement and Contracts Division, recommending the Board consider the following pertaining to Job Order Contracting, Bid 14-968-047:

- 1) Award the Construction Contracts to Fregoso Builders, Inc. and Staples Construction Company, Inc. who are the two lowest responsive, responsible bidders;
- 2) Approve and authorize the Chair to sign Public Works Contract No. 559-C1499 with Fregoso Builders, Inc. and Contract No. 560-C1499 with Staples Construction Company, Inc., each agreement having a not-to-exceed amount of \$2,000,000, subject to review and approval of the final Contracts Documents by County Counsel and Risk Management;
- 3) Approve and authorize the Chair to sign Resolution 039-2014 delegating authority to the Facilities Manager and Chief Administrative Officer to execute all documentation required to implement individual task orders under the Job Order Contracting program agreements; and
- 4) Authorize the Purchasing Agent to sign an Escrow Agreement, if requested by either Contractor and in accordance with Public Contract Code Section 22300, for the purpose of holding Contract retention funds. (Refer 03/14/14, Item 1).

FUNDING: Accumulated Capital Outlay (ACO) Funds.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 4A - Approved BR JOC Resolution 4-22-14, 2. 4B - JOC Resolution 4/22/14, 3. executed Resolution 039-2014.pdf, 4. 2A - Blue Route for Bid Docs 3-4-14, 5. 2B - Bid 14-968-047 3-4-14, 6. 2C - Memo Stating Clerical Correction 3-4-14, 7. A - Blue Route 11-5-13, 8. B - AGMT 144-S1411 11-5-13, 9. Approved CRS Fregoso Builders item 2.pdf, 10. Executed agreement Fregoso Builders item 2.pdf, 11. Approved CRS Staples, item 2.pdf, 12. Executed agreement Staples item 2.pdf

Date	Ver.	Action By	Action	Result
4/22/2014	4	Board of Supervisors	Approved	Pass
3/4/2014	2	Board of Supervisors	Approved	Pass
11/5/2013	1	Board of Supervisors	Approved	Pass

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FUNDING: Accumulated Capital Outlay (ACO) Funds.

BUDGET SUMMARY:	
Total Estimated Cost.....	\$4,000,000
Budget - Current FY.....	\$4,000,000
Budget - Future FY.....	
New Funding.....	
Savings.....	
Other.....	
Total Funding Available.....	\$4,000,000
Change To Net County Cost.....	\$ -0-

Fiscal Impact/Change to Net County Cost

Funding is included in the FY 2013-14 CAO Facilities Maintenance and ACO Budget and will be included in future years. There is no change to Net County Cost.

Background

Job Order Contracting (JOC) is a procurement process that helps government entities complete a large number of repairs, maintenance, renovation and new construction projects with a single competitively bid contract. Unlike traditional bidding, where each project is identified, designed and put out to bid, Job Order Contracting establishes competitively bid prices up front and eliminates the need to separately bid each project.

Contractors will competitively bid unit prices. The overall contract amount (the sum of the individual projects) is expressed in a wide dollar range, such as \$10,000 to \$1 million. The contract is then awarded to the bidder chosen as the lowest responsive and best value. Once the contract is in place, the Facilities Division may have the contractor perform a series of individual projects as separate job orders and the prices are never negotiated. The contractor is paid the pre-set unit prices multiplied by the competitively bid adjustment factor. This greatly reduces change orders and disputes.

On March 14, 2014 (#1) the Board adopted and approved the Bid and Specifications and authorized advertisement for Public Works bids for Job Order Contracting.

On November 5, 2013 (#10), the Board approved an Agreement (144-S1411) with the Gordian Group for these services.

Reason for Recommendation

Award and Sign Construction Contract with the Two Lowest Responsive, Responsible Bidders: Five bids were received. Fregoso Builders, Inc. and Staples Construction Company, Inc. were determined to be the two lowest responsive, responsible bidders.

Authorize Chair to Sign Resolution

Under a Job Order Contracting (JOC) program, in order to take full advantage of the efficiencies afforded by this program, it is necessary to delegate signature authority for individual task orders authorizing Notices to Proceed to the Facilities Manager and Chief Administrative Officer. By Resolution, the Facilities Manager, Chief Administrative Office would have signature authority up to \$125,000 and the Chief Administrative Officer would have signature authority greater than \$125,000. This signature authority would remain in effect unless rescinded by the Board of Supervisors.

Authorize Purchasing Agent to Sign Escrow Agreement:

Pursuant to the Conditions of the Contract, section 6.4, "Withholding from Payments," of the Contract Documents, the County will retain five percent (5%) of the value of work done from each Contractor payment (excluding mobilization payments) as security for the fulfillment of the Contract.

Alternatively, Public Contract Code (PCC) Section 22300 provides that the Contractor may request that payment of retentions earned be made directly to an Escrow Agent. The Contractor will receive the interest earned on the investment.

In accordance with these provisions, the Contractor may request in writing that the County make payment of retention funds directly into an escrow account, which would necessitate an Escrow Agreement. To help expedite this process if requested by the Contractor, the Department requests that the Board authorize the Purchasing Agent to execute the Escrow Agreement. Upon satisfactory completion of portions of the Contract and upon written notification from the Purchasing Agent, the Contractor will receive incremental releases from the Escrow Agent of retention paid into the account and any interest earned thereon. A portion of the retention and interest will be retained in the escrow account until thirty-five (35) days after the issuance of the Notice of Acceptance of the Contract at which time these funds will be released to the Contractor.

Clerk of the Board Follow Up Actions

1. Upon approval by County Counsel and Risk Management, Procurement & Contracts will forward the two Construction Contracts, with the Contract Routing Sheet approved by County Counsel and Risk Management to the Clerk of the Board for the Chair's signature.
2. The Clerk of the Board will forward the fully executed Construction Contract to Procurement & Contracts for further processing.

Contact

Brent Collins, Project Manager
Russ Fackrell, Facilities Manager

Concurrences

County Counsel
Risk Management