



Legislation Text

File #: 18-1929, **Version:** 1

Chief Administrative Office, Facilities Division, recommending the Board authorize the Chair to sign Amendment I to Agreement No. 355-C1899 with PRIDE Industries One, Inc., pertaining to Job Order Contracting (JOC), to increase compensation by \$1,500,000 for an amended not-to-exceed of \$3,000,000 with no change in the term.

FUNDING: Accumulated Capital Outlay Fund

DISCUSSION / BACKGROUND

On November 7, 2017, the Board approved and authorized three construction bids (Bid No: 18-968-013, 18-968-014 and 18-968-015) pertaining to Job Order Contracting (Item No. 4, File 17-1124).

On January 9, 2018, the Board awarded three \$1,500,000 Job Order Contracts to the following lowest responsive and responsible bidders (Item No. 8, File 17-1391):

Fregoso Builders, Inc. (Contract No. 336-C1899)
North Star Construction and Engineering, Inc. (Contract No. 334-C1899)
PRIDE Industries One, Inc. (Contract No. 335-C1899)

Job Order Contracting (JOC) is a procurement process that helps government entities complete a large number of repairs, maintenance, and renovation 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 \$1,000,000. 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.

With the construction industry recovery, two of the awarded contractor's availability and participation has been limited thus impacting the Division's overall use of the JOC program. Current contract expenditures concerning Fregoso Builders, Inc. and North Star Construction and Engineering, Inc. are \$242,100 and \$169,045, respectively. It is not anticipated their availability will improve and there will be minimal work issued to these two contractors. The JOC procurement process will occur again in April 2019, when the term of these agreements is up.

PRIDE Industries One, Inc. (PRIDE) has been very responsive to the County's needs and the Division seeks to issue further work concerning various projects. Current PRIDE contract expenditures sit at approximately \$343,658 with another \$861,911 of the contract's value committed

to a significant Placerville Jail mechanical system repair and upgrade project. The net result of that leaves only approximately \$294,431 available for additional work needed. The additional \$1,500,000 would be utilized to perform work scheduled within this year's deferred maintenance plan. This work will include the Building C carpet replacement project and mechanical system renovation work within the South Lake Tahoe Jail.

Amendment I would increase the not-to-exceed to \$3,000,000 and the term of one year would remain unchanged (expiring April 7, 2019).

ALTERNATIVES

The Board could decline this amendment and the Division shall have limited Job Order Contracting availability.

PRIOR BOARD ACTION

November 7, 2017; Item No. 4; Legistar File 17-1127
January 9, 2018; Item No. 8; Legistar File 17-1391

OTHER DEPARTMENT / AGENCY INVOLVEMENT

NA

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board approve this item.

FINANCIAL IMPACT

Funding is included in the FY 2018-19 CAO Facilities Maintenance and Accumulative Capital Outlay budget. There is no impact to the General Fund.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Obtain Chair's signature and forward one original to the CAO-Facilities Division for processing.

STRATEGIC PLAN COMPONENT

Infrastructure

CONTACT

Russ Fackrell
Facilities Division Manager