File #: 21-1381, **Version:** 1

Chief Administrative Office, Facilities Division and Procurement and Contracts Division, recommending the Board consider the following pertaining to Job Order Contracting (JOC) for as-needed General Building Contractors, Bid Numbers: 21-968-052, 21-968-053, and 21-968-054:
1) Award JOC Construction Contracts to Mesa Energy Systems, Inc., PRIDE Industries One, Inc., and CNW Construction, Inc., the three lowest responsive, responsible bidders;
2) Approve and authorize the Purchasing Agent, or designee, to sign Public Works Contract 5705 with Mesa Energy Systems, Inc., Contract 5706 with PRIDE Industries One, Inc., and Contract 5707 CNW Construction, Inc., with each Contract having a term of one year, commencing ninety (90) days after contract execution or upon first Notice to Proceed, whichever occurs first, and each having a not-to-exceed amount of $2,500,000; and
3) Authorize the Purchasing Agent to sign an Escrow Agreement, if requested by any Contractor and in accordance with Public Contract Code section 22300, to hold Contract retention funds.

FUNDING: Accumulative Capital Outlay Fund.

DISCUSSION / BACKGROUND

On June 22, 2021, the Board adopted and approved the Bid and Specifications and authorized advertisement for Public Works JOC Bid Numbers 21-968-052, 21-968-053, and 21-968-054 with the Intent to award three contracts to the three lowest responsive, responsible bidders in each class for a not-to-exceed amount of $2,500,000 for each contract.

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, JOC establishes competitively bid prices up front and eliminates the need to separately bid each project.

Contractors 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. 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 do not require negotiation. The contractors are paid the pre-set unit prices multiplied by the competitively bid adjustment factor. This greatly reduces changes orders and disputes.

Six Bids were received and two were disqualified. Mesa Energy Systems, Inc., PRIDE Industries One, Inc., and CNW Construction, Inc. were the three lowest responsive, responsible.

Pursuant to the Conditions of the Contract, Section 6.4, “Withhold from Payments,” of the Contract Documents, the County may retain five percent (5%) of the value of the 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.

ALTERNATIVES
The Board could decline to award these bids and the Division would not have a JOC program.

PRIOR BOARD ACTION
June 22, 2021; Legistar File No. 21-0918; Item No. 9: The Board adopted and approved the Bid and Specifications and authorized advertisement for Public Works JOC Bid Numbers 21-968-052, 21-968 -053, and 21-968-054.

October 30, 2018; Legistar File No. 18-1586; Item No. 4: The Board approved Agreement #3138 with the Gordian Group to provide JOC program services.

OTHER DEPARTMENT / AGENCY INVOLVEMENT
NA

CAO RECOMMENDATION / COMMENTS
Approve as recommended.

FINANCIAL IMPACT
Funding is included in the FY 2021-22 CAO Facilities Maintenance and Accumulative Capital Outlay budget request and will be included in future years. There is no change to Net County Cost. These contracts are on an as-needed basis. Last JOC contract cycle the department issued just over $2.9M in work. The dollar amount utilized will vary each year based on need.

CLERK OF THE BOARD FOLLOW UP ACTIONS
NA

STRATEGIC PLAN COMPONENT
Infrastructure

CONTACT
Russ Fackrell
Facilities Division Manager

Michele Weimer
Procurement and Contracts Manager/Purchasing Agent