

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT General Services Agency	(2) MEETING DATE 7/23/2013	(3) CONTACT/PHONE Janette Pell, General Services Agency Director (805) 781-5200	
(4) SUBJECT Request to accept bid results and award a construction services contract for Job Order Contracting for FY 2013-14 with T. Simons Co. Inc.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> 1. Accept the results of the June 13, 2013 bid opening for Job Order Contract, JOC13, 2. Award the construction services contract to T. Simons Co. Inc., the bidder with the lowest composite adjustment factor of 0.9300, effective August 7, 2013, and 3. Instruct the Chairperson to sign the Contract upon receipt of all insurance and bond documents. 			
(6) FUNDING SOURCE(S) Budgeted Maintenance and Capital Projects	(7) CURRENT YEAR FINANCIAL IMPACT Based on number of contracts awarded	(8) ANNUAL FINANCIAL IMPACT Minimum award of \$50,000 to a potential award of \$4,464,000.	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 11/9/2004 (See Attachment "A") (Resolution No. 2004-352), 05/14/2013	
(17) ADMINISTRATIVE OFFICE REVIEW Vincent Morici			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: General Services Agency / Janette Pell,
General Services Agency Director
(805) 781-5200

DATE: 7/23/2013

SUBJECT: Request to accept bid results and award a construction services contract for Job Order Contracting for FY 2013-14 with T. Simons Co. Inc.

RECOMMENDATION

It is recommended that the Board:

1. Accept the results of the June 13, 2013 bid opening for Job Order Contract, JOC13,
2. Award the construction services contract to T. Simons Co. Inc., the bidder with the lowest composite adjustment factor of 0.9300, effective August 7, 2013, and
3. Instruct the Chairperson to sign the Contract upon receipt of all insurance and bond documents.

DISCUSSION

On May, 14, 2013, the Board authorized public bidding for construction services for Job Order Contracting (JOC) for FY 2013-14. On June 13, 2013, the County received four bids for Job Order Contract, JOC13. The bids were submitted in the form of four adjustment factors that are jointly calculated and result in one composite adjustment factor. The lowest qualified bidder who submits a bid that results in the lowest, calculated composite adjustment factor is awarded the Job Order Contract. The composite adjustment factors received from interested bidders ranged from 0.9300 to 0.9545. T. Simons Co. Inc., of Nipomo, CA submitted the lowest composite adjustment factor of 0.9300.

Public Contract Code section 20128.5 allows the annual award of a JOC for the purposes of repair, alteration, modernization, remodel, and rehabilitation of buildings, structures, infrastructure, or other real property. The JOC project delivery process has provided GSA General Services the ability to deliver construction projects in a cost effective and timely manner for nearly 13 years. The current contract for FY 2012-13 will expire on August 5, 2013. The request before the Board will provide the County the opportunity to offer this cost effective and timely project delivery method without interruption through July 2014. See Attachment A for chronological history of prior Job Order Contracts awarded by the Board of Supervisors.

Background

A Job Order Contract (JOC) is a project delivery tool that GSA General Services has used since 2000 for the delivery of countywide maintenance and repair projects. JOC is a way for the County to get numerous, commonly encountered construction projects done quickly and easily through an annual contract. JOC reduces unnecessary levels of engineering, design, and contract procurement time along with construction project procurement costs by awarding a contract for a wide variety of renovation, repair and construction projects.

A major element of the JOC contracting process is the use of a Construction Task Catalog (CTC), which provides preset costs for specific construction tasks. The CTC unit price book can cover nearly every construction, repair or maintenance task, whether it's replacing air filters, installing carpeting, replacing windows or doors, or even painting or it can be limited to specific areas of work or a particular trade.

The contractor is selected based on low bid. As part of its bid, the contractor submits a coefficient (a multiplier) to be applied to the preset unit prices appearing in the CTC. The coefficient must include not only the contractor's overhead and profit, but also any adjustment that may be needed to the CTC prices based on the contractor's costs in the local area of the contract (which are functions of labor costs, subcontractor base, market conditions and client-specific conditions).

After contract award, and during the course of the contract, the coefficient will be used to calculate the price for each project which will be the preset unit prices multiplied by the quantity multiplied by the coefficient.

OTHER AGENCY INVOLVEMENT/IMPACT

The Environmental Division of the Planning and Building Department reviews all projects within the Capital and Maintenance Project Programs for conformance with the California Environmental Quality Act (CEQA) and other environmental requirements. The Office of the Auditor Controller coordinates with GSA General Services to determine which projects qualify for the JOC program and County Counsel reviews the Agreement for form and legal effect.

FINANCIAL CONSIDERATIONS

JOC contracts don't define actual, individual jobs but sets a minimum contract award value of \$50,000 of construction job orders to the successful bidder. As a result, the JOC contractor is not guaranteed any level of revenue, driving it to generate the best performance possible. The California Public Contract Code allows a maximum award of \$3,000,000 adjusted by the California Consumer Price Index from February 1998. During the period February 1998 through February 2013, the California Consumer Price Index has increased 48.8 percent. The proposed JOC limit for FY 2013-14 will be \$4,464,000.

From the FY 2000-01 through FY 2011-12, the County awarded 504 job orders for a total construction cost of \$20,287,354. Through June 30, 2013, there have been 32 job orders approved under JOC for FY 2012-13, for a total construction cost of \$1,521,959. It is anticipated the JOC currently in effect for FY 2012-13 may exceed \$2,500,000.

All construction funding for JOC will be made from budgeted Capital and Maintenance projects. There are no budget adjustments necessary for the action requested. The following table outlines previous JOC expenditures based on minimum and maximum contract awards allowed by the Public Contract Code.

Job Order Contract	Min. Award (Required)	Actual Award (To Date)	Est. Total Award	Max. Award (Allowed)
FY 2000-01 thru FY 2011-12	\$550,000	\$20,287,354	-----	-----
FY 2012-13	\$50,000	\$1,521,959	\$2,500,000	\$4,152,000
FY 2013-14	\$50,000	-----	-----	\$4,464,000
TOTAL	-----	\$21,809,313	-----	-----

RESULTS

The JOC program eliminates the time and expense of the common design/bid/build process utilized for many construction projects. It is a procurement program that enables the County to accomplish a large number of small and medium-sized, maintenance and renovation projects with a single, competitively bid construction services contract. The major advantages of JOC include: (1) fast and timely delivery of projects; (2) low overhead cost of construction procurement and delivery; (3) development of a partner relationship based on work performance; (4) reduced legal fees; (5) elimination of change orders; and (6) standard pricing and specification utilizing a published CTC resulting in efficient and effective

estimating, design, and fixed price construction.

Since inception and through the end of FY 2011-12, GSA General Services has managed 504 individual job orders. It is conservatively estimated that at least 2 months of processing time is saved per project when using the JOC program.

By awarding this construction services contract, the Board will approve the continuation of the JOC project delivery program. This program provides an invaluable construction services procurement tool for the GSA General Services. It allows for the delivery of construction projects in a timely and cost effective manner, necessary to accommodate the facility needs of County departments and the public.

ATTACHMENTS

1. 072313 JOC13 Attachment A – Chronology of Board Actions
2. 072313 JOC13 Bid Results