

1115
**SUBMITTAL TO THE BOARD OF SUPERVISORS
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

348



FROM: Department of Facilities Management

SUBMITTAL DATE:
 October 30, 2006

SUBJECT: Consulting Services Agreement for Job Order Contracting

RECOMMENDED MOTION: That the Board of Supervisors:

1. Authorize Facilities Management to develop and implement the Job Order Contracting (JOC) system of public works contracting for Other-Than-New construction;
2. Approve and authorize the Chairman to execute the attached Consulting Services Agreement between the County and the Gordian Consulting Group; and
3. Authorize the Auditor-Controller to amend Facilities Management's FY 2006/07 budget to include the budget adjustment set out in Attachment "A."

BACKGROUND: The number and types of facilities owned and operated by the County of Riverside has increased significantly over the past several years, largely in response to the rapid pace at which the County's population has grown over the same period. In addition, the age of the County's building stock
 (Continued on page 2)

Robert Field, Director
 Department of Facilities Management

SJ:DG:md

FINANCIAL DATA

Current F.Y. Total Cost:	\$ 75,000	In Current Year Budget:	No
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	Yes
Annual Net County Cost:	\$ 0	For Fiscal Year:	2006/07

SOURCE OF FUNDS: Reimbursement for Services

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input checked="" type="checkbox"/>

C.E.O. RECOMMENDATION: **APPROVE**

County Executive Office Signature

Policy

Consent

Dep't Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref.: | **District:** All | **Agenda Number:**

ATTACHMENTS FILED
 WITH THE CLERK OF THE BOARD

3 . 10

FORM APPROVED COUNTY COUNSEL

NOV 07 2006

BY *[Signature]*

FISCAL PROCEDURES APPROVED
 ROBERT E. BYRD, Auditor-Controller

BY *[Signature]* 11-2-06
 Deputy

BACKGROUND (Cont'd):

has continued to increase, with a commensurate rise in the demand for Other-Than-New projects (sometimes referred to as deferred maintenance or capital renewal projects) and heavy maintenance work. The demand placed on Facilities Management's Maintenance Division has grown to the point where the Maintenance Division has found it necessary to create a new Small Projects Group focused solely on completing this type of project.

In an effort to meet the growing workload in a timely and efficient manner, Facilities Management has researched several options that offer the opportunity to expedite project delivery, and has settled on Job Order Contracting (JOC) as the one most likely to meet the County's needs. JOC is a contracting method that is allowed by the State of California, and is designed to initiate and complete small projects expediently. The time savings offered by this method can be as great as 90% when compared to more conventional public works bidding processes. The Counties of Los Angeles, San Diego, Kern, Sacramento, Ventura, Santa Clara, and San Luis Obispo are currently using the process successfully.

JOC does not usurp the State of California's competitive bidding requirements; rather, it is a system developed to allow for a single annual competitive bid against standardized criteria in both labor costs and materials for specific types of work. In essence, each category of work is pre-bid, and the contractor need only know the location and quantity of the work in order to establish the cost and receive direction to complete the project. Each overall contract can be for as much as \$3,000,000, and be for a term of no more than one year; the maximum cost for an individual project cannot exceed \$125,000. Facilities Management's initial recommendation for the program is to initiate a single contract to assess the effectiveness of the process. That contract, and any additional contracts, would then be competitively re-bid each year.

A total of three firms responded to a Request for Qualifications for management of the proposed JOC process that was distributed by Facilities Management in July 2006. The responses were reviewed by staff, and the Gordian Group was found to be the respondent most likely to be able to meet the County's needs. There would be no initial cost to the County for consulting and setup of the JOC process, and all bidding and contract documents would be developed and managed by the Gordian Group under the Department's direct supervision. The Gordian Group's fee would be 5% of the first \$6,000,000 in projects, with the fee falling to 1.95% for amounts over \$6,000,000 in perpetuity. Facilities Management would manage the contract and determine the amount of construction to be completed through the JOC process.

All associated contract costs would be fully covered by revenues generated through reimbursement for services. Thus, there would be no additional Net County Cost associated with the services provided under this agreement.

The Job Order Contracting concept has been reviewed and approved by County Counsel, as well as the Purchasing and the Fleet Services Department.

EXCERPTS FROM
BYRD, Audric

ATTACHMENT "A"

Increase Estimated Revenues:

10000-7200300000-777520	Reimbursement for Services	\$75,000
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Increase Appropriations:

10000-7200300000-527980	Contracts	\$75,000
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