

FORM APPROVED COUNTY COUNSEL
BY: GREGORY P. PRIAMOS DATE 4/22/15

Departmental Concurrence

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
BY: Esteban Hernandez 5/16/15

☐ A-30 ☐ Positions Added ☐ Change Order
☐ 4/5 Vote

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

918



FROM: Economic Development Agency

SUBMITTAL DATE:

May 7, 2015

SUBJECT: Consulting Services Agreement for Job Order Contracting – Approval of Amendment No. 5, All Districts, [\$89,700], Interfund-Reimbursement for Services 100%

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify the attached Amendment No. 5 to the consulting services agreement between the County of Riverside and The Gordian Group (Gordian) to extend the period of performance and increase the potential contract value by \$89,700;
2. Authorize the Chairman of the Board to execute the amendment on behalf of the county; and
3. Authorize the Assistant County Executive Officer/EDA to administer Amendment No. 5 for Gordian, in accordance with applicable Board policies.

BACKGROUND:

Summary

(Commences on Page 2)

Robert Field

Robert Field
Assistant County Executive Officer/EDA

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost: | POLICY/CONSENT (per Exec. Office) |
|-----------------|----------------------|-------------------|-------------|---------------|---|
| COST | \$ 0 | \$ 89,700 | \$ 89,700 | \$ 0 | Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/> |
| NET COUNTY COST | \$ 0 | \$ 0 | \$ 0 | \$ 0 | |

SOURCE OF FUNDS: Interfund-Reimbursement for Services 100%

Budget Adjustment: No

For Fiscal Year: 2014/15-15/16

C.E.O. RECOMMENDATION:

APPROVE

BY: Rohini Dasika
Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

Prev. Agn. Ref.: 3-15 of 10/22/13; 3.15 of 9/11/12

District: All

Agenda Number:

3-8

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

Economic Development Agency

FORM 11: Consulting Services Agreement for Job Order Contracting – Approval of Amendment No. 5, All Districts, [\$89,700], Interfund-Reimbursement for Services 100%

DATE: May 7, 2015

PAGE: 2 of 3

BACKGROUND:

Summary (continued)

On November 14, 2006, the Board of Supervisors approved a consulting services agreement with Gordian to provide a management software system, management services, training and assistance for Job Order Contracting (JOC).

JOC is a procurement method, allowed by the State of California, which enables public entities to accomplish small and medium-sized projects with a single, stand alone, competitively bid contract. The use of JOC allows the Economic Development Agency (EDA) to deliver remodel, renovation and upgrade projects in a timely and cost effective manner. The associated consulting services provided by Gordian, creates an additional cost benefit to the county by reducing overall project management fees.

On October 22, 2013, the Board approved Amendment No. 4 to extend the period of performance for the Gordian agreement through September 30, 2014 or the expiration of JOC No. 006, whichever occurred first. JOC No. 006 has not reached the maximum dollar value of \$4.2 million and supplemental job orders continue to be issued for existing job orders. EDA intends to advertise a Request for Proposal (RFP) for the initiation of JOC No. 007 for a potential contract amount not to exceed \$4.6 million. Amendment No. 5 to Gordian's agreement ensures the county continued use of Gordian's management software system, management services, assistance and training through the duration of the existing JOC contracts and JOC No. 007, should a contract be awarded.

Under the existing agreement there was no initial cost for Gordian to assist the county in establishing the JOC program. Under the supervision of EDA personnel, Gordian provided development of the Construction Task Catalogues (CTC), modification to bidding and contract documents, access to JOC management software, and management assistance for the six Job Order Contracts the county has awarded to date.

The fees for Gordian were established in the consulting services agreement as follows:

- Gordian received 5% of the value of each approved job order for the first \$6,000,000 in construction projects.
- Gordian's fee reduced to 1.95% of the value of each approved job order for amounts over \$6,000,000 as long as the current arrangement remains in effect.

During the contract duration of JOC No. 004, EDA reached the \$6,000,000 threshold in issued job orders, resulting in the reduction of Gordian's fee from 5% to 1.95%.

Contract History

In July 2006, a total of three firms responded to a Request for Qualifications for management of the proposed JOC process that was distributed by EDA (Formerly Facilities Management). Upon review, Gordian was found to be the respondent most qualified to meet the county's needs.

Gordian has provided quality service at the agreed upon rate and has been a beneficial partner in assisting EDA deliver small and medium-priced projects in a timely manner for competitive prices.

Impact on Citizens and Businesses

(Commences on Page 3)

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

Economic Development Agency

FORM 11: Consulting Services Agreement for Job Order Contracting – Approval of Amendment No. 5, All Districts, [\$89,700], Interfund-Reimbursement for Services 100%

DATE: May 7, 2015

PAGE: 3 of 3

Impact on Citizens and Businesses

The services provided by Gordian, including their management software system, assistance, training and use of the CTC, help EDA reduce overall project management fees to customer departments and ensure that contractors provide cost effective proposals and quality work, thus creating an overall cost benefit to the county.

Additional Fiscal Information

EDA intends to solicit bids for JOC No. 007 for a potential contract value not to exceed \$4.6 million. Approval of Amendment No. 5 to the Gordian agreement through the duration of the existing JOC contracts will have no financial impact on the Gordian contract; however, if JOC No. 007 is awarded to a contractor after the RFP process, Gordian's contract value will increase by a minimum amount of \$488 with a potential maximum amount of \$89,700.

All costs associated with this agreement will continue to be reimbursed by user departments who initiate projects through EDA's Form 5 project request process, Facility Renewal projects, and other project types that have been previously approved by the Board, thus no additional net county costs will be incurred and no departmental budget adjustment is required at this time.

Attachment:

Amendment No. 5 to the Consulting Services Agreement with The Gordian Group

1 **AMENDMENT No. 5 TO AGREEMENT FOR CONSULTING SERVICES**
2 **BETWEEN THE COUNTY OF RIVERSIDE AND THE GORDIAN GROUP**
3 **WITH REGARD TO JOB ORDER CONTRACT SYSTEM**
4

5 **THE COUNTY OF RIVERSIDE and THE GORDIAN GROUP, INC.** hereby agree to amend that certain
6 Agreement for consulting services associated with the Job Order Contract System entered into on November 14,
7 2006, first amended October 5, 2010, amended the second time on August 16, 2011, amended the third time on
8 September 11, 2012 and amended the fourth time on October 22, 2013.
9

10 **ARTICLE I. TERM** shall be modified to read as follows:

11 "County hereby retains Consultant as County's JOC consultant for the term commencing on the date of
12 the Agreement and expiring upon completion of Job Order Contract No. 007 unless terminated or
13 extended as provided for herein."
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15 Except as modified herein, all other terms and conditions shall remain the same and in full force and effect.
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17 Remainder of Page Intentionally Left Blank

18 (Signatures on following page)
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COUNTY Approvals

APPROVED AS TO FORM:

GREGORY P. PRIAMOS, COUNTY COUNSEL

BY:

Marsha L. Victor Dated: 4-22-15
Marsha L. Victor, Principal Deputy County Counsel

APPROVAL BY THE BOARD OF SUPERVISORS

_____ Dated: _____

Marion Ashley
PRINTED NAME

Chairman, Riverside County Board of Supervisors

ATTEST:

_____ Dated: _____

KECIA HARPER-IHEM

Clerk of the Board (SEAL)

THE GORDIAN GROUP Approvals

By:

Ammon T. Lesh Dated: 4/28/15
Ammon T. Lesh
PRINTED NAME

Vice President
TITLE

Address: 30 Patwood Dr., Ste 350
Greenville, SC 29615