

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

585



FROM: Executive Office and County Purchasing

SUBMITTAL DATE:
February 13, 2013

SUBJECT: Best Practices in Contract Compliance Recommendations

RECOMMENDED MOTION: That the Board:

- 1) Approve the conceptual provisions for changes to Board Policies H-7 Selection of Architectural, Engineering or Real Estate Services; B-11 Award of Public Works Contracts Pertaining to County Facilities and Other Improvements; B-22 Capital Improvement Program, and the County Purchasing Manual as they apply; and,
- 2) Direct the Executive Office and County Purchasing Department to return to the Board with the revised policies and County Purchasing Manual within 60 days.

BACKGROUND: Whether engaging a service provider or constructing a county facility, setting expectations for the work product and measuring performance are needed policy changes in the way the County of Riverside procures and manages contracts. This retooling will ensure the highest value for its public contracts through an improved process that is fair, open and performance-based by the most qualified provider.

Robert Howdysshell
Robert Howdysshell, Director of Purchasing

Serena Chow
Serena Chow, Principal Management Analyst

FINANCIAL DATA

Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
Annual Net County Cost:	\$ 0	For Fiscal Year:	12-13

SOURCE OF FUNDS: N/A

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

C.E.O. RECOMMENDATION:

APPROVE

BY:

George A. Johnson
George A. Johnson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
 Nays: None
 Absent: None
 Date: February 26, 2013
 xc: E.O., Purchasing

Kecia Harper-Ihem
 Clerk of the Board
 By: *Kecia Harper-Ihem*
 Deputy

Prev. Agn. Ref.:

District: ALL

Agenda Number:

3-68

Departmental Concurrence

Policy
 Policy
 Consent
 Consent
 Dept't Recomm.:
 Per Exec. Ofc.:

The Brooks Act of 1972 provided public entities with a Qualifications-Based Selection (QBS) procurement tool for the selection of architectural and engineering services for public construction projects. An essential element is the use of a selection committee, comprising a number of knowledgeable people of unquestioned integrity, to make the evaluations. The selection committee is charged with fairly evaluating the qualifications and, often, the ideas for project execution offered by competing firms. Price is taken into consideration under QBS but not for the purposes of determining the most suitable and qualified provider of services.

Ensuring the public obtains the best value for services is critically important. Therefore, a process to balance the most suitable and qualified provider with the best price needs to be better defined in our current policies and procedures through the following concepts:

Concept #1: Evaluation Team +1. The evaluation team for any pre-qualified list of service providers on small jobs (<\$100,000) or bidders for a capital improvement project should consist of a minimum of three qualified persons with experience or knowledge of the work product or project. At least one person should be from the county department that will use the service or project.

The purpose is to determine if the supplier meets the minimum qualifications to successfully bid on the project and, if awarded, successfully complete the project.

Concept #2: Peer Review. An independent entity outside of the project team with technical knowledge of county buildings should review the program scope and specifications for constructability prior to bidding and provide a cost estimate where the project exceeds \$3,000,000. This estimate should be reconciled with the architect or engineer's estimate, if applicable, so that the county has an expectation of cost prior to receiving bids.

Concept #3: Performance review. Upon the conclusion of the service contract term or at the Notice of Completion for a capital improvement project, a performance review should be completed to describe the actual cost, final scope, and number of change orders associated with the contract. For large projects over \$10 million, the performance review should be required no less than quarterly.

An annual report should be compiled from all county departments with a brief overview of the performance of all public works construction contracts as part of the comprehensive Capital Improvement Program.

Concept #4: County disbarment. The removal of a vendor from a prequalified list; or disqualification from bidding on future county contracts based on poor performance.

Staff recommends approval of these concepts. The Executive Office and Purchasing will vet these ideas and include them in the policies and manual as needed, with coordination of affected departments.