

MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager *B.W.*
DATE: December 10, 2013
SUBJECT: Job Order Contracting System Management – The Gordian Group

ACTION REQUESTED

1. Approve the two-year renewal of a competitively awarded contract with the Gordian Group of Mauldin, SC to assist and manage an automated Job Order Contracting System for the period of October 1, 2013 through September 30, 2015 for the Department of Facility Services at a cost dependent on the value of the work ordered, and authorize the Purchasing Manager to sign the resulting contract.

BACKGROUND

On April 10, 2012, your Board approved the renewal of a contract with The Gordian Group to furnish, implement, and assist in executing and managing an automated Job Order Contracting (JOC) System for the Department of Facility Services that complies with the provisions and requirements of the Public Contract Code. This contract was originally awarded as a result of competitive Request for Proposals 9964.

The JOC System provides an alternative to a process that requires the Department of Facility Services to prepare, bid, and award individual contracts for many minor construction and building maintenance projects. Conducting the entire bidding process for each of these projects required a tremendous amount of administrative time, effort, and cost for relatively small projects. JOC is a contracting process authorized by the California Public Contract Code, Section 20128.5, which assists in awarding contracts for repair, remodeling, other repetitive work to be done according to unit prices.

The JOC System provides significant improvements in economy and efficiency in completing repair, refurbishment, remodeling, and other repetitive public work projects, as well as reductions in individual project bidding time from six months to one month. The Gordian Group contract expired on September 30, 2013. The contract includes optional renewals based on the success of the program. Facility Services is satisfied with the services and has requested the renewal of the contract for a two-year period. The Gordian Group has agreed to a two-year renewal at the exact same fee schedule and terms.

If approved by your Board, The Gordian Group will continue to provide Facility Services, and any other future departments that implement the program, with an integrated JOC system incorporating program development, document development, procurement support, computer software, customized forms, management procedures, a written manual, training for County employees and the local contractor business community, and start-up support through an on-site representative. Departments would issue invitations for bids through the system for specific categories of County projects (e.g. building improvements). The bid would specify the minimum and maximum dollars that the County might spend through the resulting one-year Building Improvement JOC. The minimum would be the value of the first project(s) and the maximum would be the department's estimate of all potential building improvement projects during the year. Bidders would competitively bid their adjustment factors to a Gordian Group provided catalog of priced building

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improvement tasks and materials. Upon your Board's approval, the two or three lowest responsive and responsible bidders for building improvement would be awarded JOCs for building improvement. During the life of the Building Improvement JOCs, the department would issue job orders to the contractors for specific projects that will be defined by tasks selected from the competitively priced catalog of building improvement tasks and materials.

FISCAL IMPACT

The Gordian Group does not charge upfront fees to develop and manage the program. Instead, each department that implements an independent JOC program will be charged a fee of 5% of the value of work ordered through the JOC program. The fee would drop to 2% when the department has achieved a cumulative volume of work ordered during the term of the contact (including renewals) equal to \$6 million provided the department's cumulative volume of work ordered during the preceding 12 months is at least \$2 million. Facility Services has paid a cumulative total of \$131,700 in fees to The Gordian Group and commenced \$2,634,300 in Job Orders over the previous contract periods. With your Board's approval, this contract will be renewed for the period October 1, 2013 through September 30, 2015.

Facility Services will request your Board's approval of the individual yearly JOC awards, including the minimum and maximum amounts to be authorized for each JOC.

cc: Valerie Bayne, Administrative Services Manager – Facility Services
Doug Hawk, Senior Architect – Facility Services