

March 24, 2020

**R-3**

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 34577 with Bitech Construction, Inc., of Buena Park, CA; Contract No. 34571 with Exbon Development, Inc., of Garden Grove, CA; Contract No. 34582 with Good-Men Roofing Construction, Inc., of San Diego, CA; Contract No. 34586 with Harry Joh Construction, Inc., of Paramount, CA; Contract No. 34578 with Thomasville Construction, Inc., of Fullerton, CA; and, Contract No. 34575 with Vincor Construction, Inc., of Brea, CA; for Job Order Contracting (JOC) services, to extend the contract terms for an additional one-year period through March 21, 2021, with an annual amount for each contract of \$2,000,000 for a total annual aggregate amount not to exceed \$12,000,000; and,

Authorize the City Manager, or designee, to execute all documents necessary to amend Agreement No. 34736 with O'Connor Construction Management, Inc., of Irvine, CA, for as-needed JOC Program Support Services, to extend the contract term for two additional one-year periods through July 31, 2022. (Citywide)

**DISCUSSION**

City Council approval is requested to amend the terms of six contracts to add an additional one-year period and to increase each contract by \$2,000,000, for a total annual aggregate increase amount not to exceed \$12,000,000, with existing firms selected for performing various infrastructure repairs and improvements, in accordance with Ordinance No. 16-008 adopted by City Council on May 24, 2016. Job Order Contracting (JOC) utilizes a competitive bid and firm fixed-price master contract, and is a comprehensive professional procurement services system designed to help public agencies provide construction services in an efficient manner.

The City also utilizes a contract for third-party review services with O'Connor Construction Management, Inc. (O'Connor). The third-party review is performed to help ensure all proposals submitted by JOC contractors are reasonable in terms of cost and scope. The contract with O'Connor will expire on July 31, 2020. Staff is requesting City Council approval to extend the contract for two additional one-year periods through July 31, 2022. O'Connor has performed well to date and completed each review in an expeditious and cost-effective manner.

The JOC specifications contain unit prices for more than 100,000 construction tasks, which are contained in the Construction Task Catalog (CTC). To produce complete pricing for the JOC work orders, the contractor applies an adjustment factor containing provisions for profit and

overhead to the CTC unit prices.

Since 2002, the City has used this method of project delivery and it has proven to be successful in completing many projects. The continued use of the JOC program for critical facility repair and improvement work has also allowed for the construction of projects funded by one-time discretionary funds. The JOC process has enabled the City to continuously deliver timely projects in a cost-effective manner. The Public Works Department assists other departments to deliver critical projects using the JOC contracts.

City Council approved the JOC contracts on March 21, 2017 for a period of one year, with the option to renew for two additional one-year periods, each in an annual amount not to exceed \$2,000,000. The current contracts expire on March 21, 2020. Extending the term will ensure continuity of projects already underway and will help the City to continue to deliver projects. The requested action will provide adequate time for staff to complete another procurement process without interruption of services.

City Council approved the JOC Program Support Services on July 11, 2017 for a period of three years. The current contract will expire on July 31, 2020. The option to renew for two, one-year periods will help continue services and gives the City time to complete a new procurement.

This matter was reviewed by Deputy City Attorney Erin Weesner-McKinley on March 2, 2020, Purchasing Agent Tara Yeats on March 6, 2020, and by Budget Analysis Officer Julissa José-Murray on March 7, 2020.

#### TIMING CONSIDERATIONS

City Council action is requested on March 24, 2020, to ensure uninterrupted continuation of services under the JOC program.

#### FISCAL IMPACT

The requested amendments will extend the terms of the six JOC service contracts for a one-year period through March 21, 2021, in a total annual aggregate amount not to exceed \$12,000,000, and a grand total aggregate amount not to exceed \$48,000,000. Additionally, an extension to the agreement with O'Connor Construction Management for JOC Program Support Services is requested for an additional two, one-year periods through July 31, 2022. Contract authority is estimated based on current and anticipated projects within various City departments, primarily in the Public Works Department. Any work not currently budgeted will only proceed once appropriation has been approved by the City Council. Each workorder will be funded by the requesting department, per project, on an as-needed basis. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with the existing City Council priorities. Approval of this action would potentially have a positive impact on the local job market.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CRAIG A. BECK  
DIRECTOR OF PUBLIC WORKS

APPROVED:



THOMAS B. MODICA  
ACTING CITY MANAGER

CB:EL:MS:at