



# CITY OF LONG BEACH R-27

DEPARTMENT OF PUBLIC WORKS

333 West Ocean Boulevard 9<sup>th</sup> Floor • Long Beach, CA 90802 • (562) 570-6383 • Fax (562) 570-6012

February 2, 2010

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

- 1) Adopt Specifications No. R-6832 for both anticipated and unanticipated (emergency) construction of various City infrastructure repairs and improvements to be done under the method of Job Order Contracting (JOC).
- 2) Authorize the City Manager to execute agreements for one year terms in amounts not to exceed \$1,000,000 for the following JOC Contracts: JOC Contract No. 10 for Angeles Contractor with an Adjustment Factor of .5940, JOC Contract No. 11 for New Creation Builders with an Adjustment factor of .6000, JOC Contract No. 12 for MacKone Development, Inc. with an adjustment factor of .5980, JOC Contract No. 13 for Worldwide Construction with an Adjustment Factor of .6900, and JOC No. 14 for MTM Thomasville with an Adjustment Factor of .8000.
- 3) Authorize the City Manager to execute a contract with the Gordian Group for the proprietary Pro-Gen software and administrative services to manage the JOC program in an amount not to exceed \$225,000 for a term of three years under the same terms and conditions as their current contract with California State University of Long Beach.
- 4) Authorize the City Manager to execute amendments for each JOC contract to extend the term for two separate periods of one year each and up to \$1,000,000 per extended term. Also authorize the City Manager to execute amendments to the Gordian Group agreement relative to the extension of the term, to authorize additional services, if required, within the provisions of the agreement, and to adjust the Gordian fee for inflation. (Citywide)

## DISCUSSION

On June 17, 2003, January 4, 2005 and most recently on October 10, 2006, the City Council authorized multiple contracts for as-needed construction. Each contract was awarded for a one-year term and up to \$1,000,000 with two renewal options of one-year

each and up to \$1,000,000 per extended term. JOC, which utilizes a competitively bid, firm-price master contract, is a comprehensive procurement system designed to help public agencies provide routine construction services more rapidly and at a lower cost than the traditional system of contracting.

The 2009 JOC Specifications provide a Construction Task Catalog (CTC) that contains unit prices for more than 60,000 construction tasks. In order 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, which contain provisions for labor and materials only. Award of each JOC master contract is recommended for the contractor with the lowest adjustment factor for that particular JOC contract.

The JOC program is widely used by other public agencies including eighteen campuses in the California State University System, nine campuses in the University of California System, San Diego, Los Angeles, and Riverside Counties and the Los Angeles Unified School District. The use of JOC in the City since 2002 has proven successful on many projects including the Houghton Skate Park construction, the Martin Luther King, Jr. Park Pool Rehabilitation, various Americans with Disabilities Act (ADA) projects, as well as, most recently, the Billy Jean King Tennis Court Remodel, K-9 Dog Park construction on Pacific Ave., the installation of a low flow diversion pump system at the Belmont Pump Station and several roof installations for City facilities, including the Main Health Facility and the Ruth Bach Library. In addition to the continued use of the JOC program for critical facility repair work, the City also intends to utilize its JOC program for construction of projects funded by the American Reinvestment and Recovery Act (ARRA) for the purpose of implementing energy efficient measures on City facilities. The efficient nature of the JOC process will enable the City to expend these funds timely as required by the granting agencies.

Because the most recent JOC contracts were expiring in November 2009, the City invited contractors, in September 2009, to competitively bid adjustment factors for four general facility construction contracts and one specialized mechanical (HVAC) facility construction contract. Bids were opened on September 24, 2009, but ultimately rejected to allow staff to revise the specifications to correct unforeseen problems. The JOC contracts were re-bid with bids opened on December 9, 2009 following receipt of 104 bid submissions for the five JOC contracts. Project outreach for the solicitation of these bids included direct e-mail notification to over 800 businesses, including local companies as well as publications that provide contracting opportunity information to local, small and disadvantaged companies. Information regarding the bids received, as well as each of the selected JOC contractors, is contained in the attached award documents.

On November 26, 2002, the City Council authorized the City Manager to execute an agreement with the Gordian Group to implement the City's new JOC service in the amount of \$350,000 for a term of three years. Following City Council approval on April 4, 2006, the agreement was extended, with the most current extension terminating on

January 31, 2010 and the contract amount increased to \$700,000. Gordian provides the necessary support services for the JOC program, including the documentation and

software that allows the JOC contractors to produce the detailed construction proposals for City consideration. The current fee for Gordian's services is 1.5 percent of each JOC work order and is paid only as work order projects are approved by City staff.

The California State University of Long Beach (CSULB) recently issued a Request for Proposal (RFP) to select a firm to provide the software and administration for their JOC program. The services that were being sought under this RFP by CSULB are identical to what the City of Long Beach needs for our JOC program. After extensive review, CSULB awarded a contract to the Gordian Group. Rather than duplicating the time, cost, and effort required to issue a similar RFP, staff is recommending the City accept their selection process and award a contract to the Gordian Group for the same services and under the same terms as was negotiated with CSULB.

This matter was reviewed by Deputy City Attorney Linda Trang on January 13, 2010 and Budget and Performance Management Bureau Manager David Wodynski on January 14, 2010.

#### SUSTAINABILITY

Projects constructed under the JOC program will include the full recycling of waste materials and the use of green certified products. In addition, many of the projects to be constructed under the JOC program are sustainability focused projects such as the anticipated construction of projects funded by the American Reinvestment and Recovery Act (ARRA) for the purpose of implementing energy efficient measures on City facilities.

#### TIMING CONSIDERATIONS

City Council action is requested on February 2, 2010 in order to finalize the contracts as quickly as possible thereafter in order to meet time deadlines for ARRA-funded projects, as well as critical facility repair projects.

City Council action is also requested on February 2, 2010 for the new agreement with Gordian in order to ensure that the software is in place permitting a smooth transition for new JOC contractors.

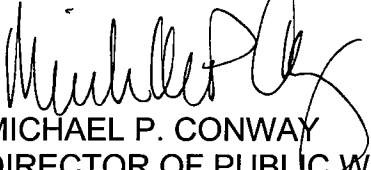
#### FISCAL IMPACT

The cost for work orders to be completed under each JOC contract and the associated Gordian fees will be paid by various departments and funds utilizing the JOC contracts. No appropriation increase is necessary.

**SUGGESTED ACTION:**

Approve recommendation.

Respectfully submitted,

  
MICHAEL P. CONWAY  
DIRECTOR OF PUBLIC WORKS

APPROVED:

  
PATRICK H. WEST  
CITY MANAGER

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**Attachments**

- Award Sheet -JOC10 Angeles Contractor, Inc.
- Award Sheet -JOC11 New Creation Builders
- Award Sheet -JOC12 Mackone Development, Inc.
- Award Sheet -JOC13 Worldwide Construction
- Award Sheet -JOC14 MTM & Thomasville Co.

## Recommended Contract Awards For February 2, 2010

<u>PROJECT NUMBER</u>	<u>DESCRIPTION</u>	<u>FUNDING SOURCE</u>	<u>LOWEST RESPONSIBLE BIDDER/ LOCATION</u>	<u>AWARD AMOUNT</u>
JOC 10	JOB ORDER CONTRACT FOR THE CITY OF LONG BEACH	JOC WORK ORDERS WILL BE PAID FOR BY INDIVIDUAL PROJECT BUDGETS.	ANGELES CONTRACTOR, INC. 8461 COMMONWEALTH AVE. BUENA PARK, CA 90621	\$ 1,000,000
			BIDDER IS A MBE	

There were thirty-eight (38) Plans and Specifications sold. Twenty-four (24) bids were received, one from a Local-owned Business, 10 from MBEs and none from DBE's or WBEs.

Linda Trang, Deputy City Attorney, approved the Plans and Specifications on November 5, 2009.

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The above is a construction project, which can be increased up to 15% above the award amount with no further City Council Actions, per the standard Specifications for Public Works Construction ( "Green Book" ) which has been adopted by the City Council.

**PROCUREMENT OUTREACH:** Advertisements are placed in the Press – Telegram. In a continuing effort to increase participation of Long Beach businesses, MBEs and WBEs, bids for construction projects exceeding \$100,000 are sent, by the Public Works Department, to approximately 20 trade publications and plan rooms catering to the construction industry. Bids and Request for Proposals are available for viewing at the Purchasing Division Public Center; current bids are announced on the Public Works' bid page: <http://www.PlanetBids.com/LongBeach/Bidframe.cfm>.

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JOC 11	JOB ORDER CONTRACT FOR THE CITY OF LONG BEACH	JOC WORK ORDERS WILL BE PAID FOR BY INDIVIDUAL PROJECT BUDGETS.	NEW CREATION BUILDERS 17809 CLARK AVE. BELLFLOWER, CA 90706	\$ 1,000,000
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JOC 12	JOB ORDER CONTRACT FOR THE CITY OF LONG BEACH	JOC WORK ORDERS WILL BE PAID FOR BY INDIVIDUAL PROJECT BUDGETS.	MACKONE DEVELOPMENT, INC. 2244 BEVERLY BLVD. LOS ANGELES, CA 90057	\$ 1,000,000
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JOC 13	JOB ORDER CONTRACT FOR THE CITY OF LONG BEACH	JOC WORK ORDERS WILL BE PAID FOR BY INDIVIDUAL PROJECT BUDGETS.	WORLDWIDE CONSTRUCTION 1621 W. 25 <sup>TH</sup> ST., #266 SAN PEDRO, CA 90732	\$ 1,000,000
			BIDDER IS A MBE	

There were thirty-eight (38) Plans and Specifications sold. Twenty-four (24) bids were received, one from a Local-owned Business, 10 from MBEs and none from DBE's or WBEs.

Linda Trang, Deputy City Attorney, approved the Plans and Specifications on November 5, 2009.

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PROJECT NUMBER	DESCRIPTION	FUNDING SOURCE	LOWEST RESPONSIBLE BIDDER/ LOCATION	AWARD AMOUNT
JOC 14	JOB ORDER CONTRACT FOR THE CITY OF LONG BEACH	JOC WORK ORDERS WILL BE PAID FOR BY INDIVIDUAL PROJECT BUDGETS.	MTM & THOMASVILLE CO. 16035 PHOENIX DRIVE CITY OF INDUSTRY, CA 91745	\$ 1,000,000
			BIDDER IS A MBE	

There were thirty-eight (38) Plans and Specifications sold. Eight (8) bids were received, none from Local-owned Businesses, 3 from MBEs and one from a WBE .

Linda Trang, Deputy City Attorney, approved the Plans and Specifications on November 5, 2009.

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