



Board Agenda Item 37

DATE: February 26, 2019

TO: Board of Supervisors

SUBMITTED BY: Robert W. Bash, Director, Internal Services/Chief Information Officer
Steven E. White, Director, Department of Public Works & Planning

SUBJECT: Agreement with The Gordian Group, Inc.

RECOMMENDED ACTION(S):

- 1. Make a finding that it is in the best interest of the County to suspend the competitive bid process consistent with Administrative Policy No. 34 for unusual or extraordinary circumstances as The Gordian Group, Inc. is the only Job Order Contracting services company with an established presence in Fresno County; and**
- 2. Approve and authorize the Chairman to execute an Agreement with The Gordian Group, Inc., which will do business in California as The Mellon Group, effective April 28, 2019, not to exceed five consecutive years, which includes a three-year base contract and two optional one-year extensions, total not to exceed \$2,450,000.**

Approval of the recommended actions will allow the Internal Services Department - Facility Services Division (ISD - Facility Services) and the Department of Public Works and Planning (PWP) to contract with The Gordian Group, Inc., which will do business in California as The Mellon Group, (The Gordian Group) for consulting services, software support, and administrative services for the Job Order Contracting (JOC) system. The JOC system facilitates procurement for repair, remodeling and other repetitive work to be done according to unit prices in an expeditious and cost-effective manner, in accordance with Public Contracts Code § 20128.5. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved, the County will be without a JOC services administrator, as the County does not have the necessary staff or resources to run a JOC system.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

The Internal Services Department, Information Technology Services Division (ISD-IT) is requesting that the County waive the competitive bidding process under Administrative Policy No. 34 under the "unusual or extraordinary circumstances" exception, as The Gordian Group is the only confirmed vendor to provide the full array of products and services necessary to develop, implement, and support a JOC program for public entities like Fresno County. Its products and services include a proprietary database and software system, in addition to providing JOC consulting and management services. Although other firms provide JOC contracting support services, they do so by piecing together products and services from third-party vendors. ISD - Purchasing concurs with the department's request to waive the competitive bidding process.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The maximum compensation for the term is \$2,450,000, funded with ISD - Facility Services and PWP revenues. The agreement includes the Gordian JOC Solution (\$950,000) and JOC Complete Solution (\$1,500,000) services. There is a fee for the service of either 1.95% or 3.05% of the value of capital/maintenance projects awarded, depending on the level of service requested from The Gordian Group. Those fees are included as part of the overall project cost to customer departments.

Sufficient appropriations are included in the ISD - Facility Services Org 8935 and various PWP Orgs FY 2018-19 Adopted Budget and will be included in future budget requests for the terms duration.

DISCUSSION:

Public Contracts Code §20128.5 authorizes the Board of Supervisors to award individual annual contracts for repair, remodeling, or other repetitive work to be done according to unit prices. The statute specifies that no annual contracts may be awarded for any new construction. The contracts must be awarded to the lowest responsible bidder, and shall be based on plans and specifications for typical work.

The Gordian JOC Solution system is a contracting program that assists in streamlining, tracking, and awarding local contractors to complete capital and maintenance projects. The services will include unlimited use and access to The Gordian Group's proprietary JOC software, PROGEN, software support and training, report development and generation, document development, maintenance support, administrative support, and consulting services. The PROGEN software system uses an extensive catalog of construction tasks and associated technical specifications, which contain more than 100,000 individual items of typical construction and maintenance tasks, each priced by The Gordian Group based on current local market conditions such as labor, material and equipment costs for the task to be performed. ISD - Facility Services and PWP uses the system to competitively bid and award individual contracts for capital and maintenance service each year. The JOC process requires a substantial amount of administrative time, effort, and cost. The departments do not have the necessary staff or resources to run a JOC program.

The Gordian Group is the only vendor capable of providing the full array of JOC products and services needed, including an appropriate local support structure. Since May 2002, the County has had multiple agreements with The Gordian Group for JOC Consulting Services. The Gordian Group provides JOC document and software development and testing, contract development, implementation and training, and follow-up technical support. Although other firms provide JOC services, they do so by piecing together products and services from third party vendors, which is something The Gordian Group does not do.

REFERENCE MATERIAL:

BAI #50, May 20, 2014

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request
On file with Clerk - Agreement for Job Order Contracting Services

CAO ANALYST:

Yussel Zalapa