



Board Agenda Item 60

DATE: June 4, 2019

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Amendment to Agreement with Durham Construction Company, Inc., for Job Order Contracting

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute the First Amendment to Agreement No. 18-J-01 with Durham Construction Company, Inc., for funded county department project requests including remodels, maintenance, and repairs, effective upon execution with no change in term to either one year or when issued Work Orders totaling the Maximum Contract Value have been completed, whichever occurs first, and increasing the maximum by \$3,400,000 to a total of \$4,900,000.

Approval of the recommended action will increase the maximum compensation to accommodate current and anticipated projects under this agreement. Job order contracts are not authorized for new construction, and the existing agreement with Durham Construction Company, Inc. (Durham) for remodel, maintenance, and repair projects will increase from \$1,500,000 for funded county department project requests. The proposed maximum compensation amount is within the maximum contract value established by California Public Contract Code (PCC), Section 20128.5 for individual job order contracts. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, the contract will lack sufficient funding to pay for various currently needed capital projects. In addition, the projects would be postponed, cancelled, or separately bid, which may increase cost of the projects and/or delay implementation of programs associated with the facilities.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The proposed amendment would increase the maximum compensation from \$1,500,000 to \$4,900,000. Each county department requesting the performance of work under this agreement will provide the funding for its respective budgeted improvement project, prior to issuance of authorization to proceed. Sufficient appropriations are included in Department of Public Works and Planning Orgs 4360, 8852, and 8859 FY 2018-19 Adopted Budget and will be included in the FY 2019-20 budget request.

DISCUSSION:

On August 7, 2018, the Board approved General Building Job Order Contract (JOC) Agreement No. 18-J-01 with Durham for county capital and maintenance projects in an amount not to exceed \$1,500,000. Since that time, county departments have requested work from Durham that will exceed the maximum amount

authorized under the agreement.

The maximum contract amount may be increased by the Board, up to the statutorily authorized limit, at any time during the term. PCC, Section 20128.5 expressly provides for an annual adjustment of the maximum amount allowable for each individual JOC agreement, based on the percentage change in the California Consumer Price Index for the preceding year. The maximum amount allowed for the current agreement is \$4,949,921.19 (see Attachment A).

Notices to Proceed under this agreement are required to be issued no later than August 7, 2019, and all job orders must be issued but not necessarily completed within one calendar year of the effective date of the contract. The provisions of the contract continue in effect for the period of time the remaining work is being performed on job orders initiated during the contract term. Payments may be made on such remaining work after the contract term has expired, and the guarantee period likewise is extended.

With your Board's approval, the maximum compensation amount will increase for Durham, allowing a variety of eligible projects to proceed into the construction phase. Examples of such projects include the Department of Behavioral Health's Health and Wellness Center construction (reroofing and heating, ventilation, and air conditioning repairs) and various Main Jail improvements.

Project Management will continue to be provided by the Department's Development Services and Capital Projects Division.

REFERENCE MATERIAL:

BAI #54, August 7, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

Attachment A

On file with Clerk - Amendment to Agreement No. 18-J-01 with Durham Construction

CAO ANALYST:

Sonia M. De La Rosa