



Board Agenda Item 40

DATE: May 8, 2018

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. 17-J-02 with Durham Construction Company, Inc., for remodel, maintenance, and repair projects, effective upon execution with no change in term and increasing the maximum by \$2,500,000 to \$4,000,000.

The existing agreement with Durham Construction Company, Inc. (Durham) has a maximum of \$1,500,000. Funded county department project requests have already been received with a value in excess of \$1,500,000. The recommended amendment will increase the maximum compensation amount to \$4,000,000 to accommodate current and anticipated projects under this agreement. 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 current capital projects. In addition, the proposed projects would be postponed, cancelled, or separately bid, which may increase costs 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 \$4,000,000. Each county department requesting work to be performed under this agreement will provide the funding for its respective budgeted improvement project, prior to authorization to proceed with the project. Sufficient appropriations are included in Department of Public Works and Planning Orgs 43601150, 8852, and 8859 FY 2017-18 Adopted Budget and will be included in the FY 2018-19 budget request.

DISCUSSION:

On August 22, 2017, the Board approved a job order contract (JOC) agreement 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 the JOC contractor that will exceed the maximum amount currently authorized under the agreement. The maximum contract amount may be increased by the Board up to the statutory limit authorized by the PCC, Section 20128.5 at any time during the term. The maximum amount allowable under the PCC for each agreement is adjusted annually based on the California Consumer Price

Index and is currently in excess of \$4.9 million. Notices to Proceed under this agreement are required to be issued no later than August 21, 2018. All job orders must be issued but not necessarily completed within one calendar year of the effective date of the contract. The term of the contract shall be valid and in effect during the period the work is being performed, payments may be made, and the guarantee period may continue, after the contract term has expired.

The recommended action would increase the maximum compensation amount for Durham, which would allow a variety of eligible projects to proceed into the construction phase; examples include the Department of Behavioral Health Building located at 1925 E. Dakota Avenue (reroofing and heating, ventilation, and air conditioning repairs) and Main Jail recreation yard.

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

REFERENCE MATERIAL:

BAI #50, August 22, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment to Agreement No. 17-J-02 with Durham Construction

CAO ANALYST:

Sonia M. De La Rosa