



Contra  
Costa  
County

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: March 31, 2015  
Subject: County Building Infrastructure Workshop

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**RECOMMENDATION(S):**

ACCEPT report on Managing our County Infrastructure and direct the Public Works Director to:

- 1) Prepare a program of projects and a schedule for the funding allocated from prior Fiscal Years and proposed Fiscal Year 2015-16 for Facilities Life-Cycle Investment Program projects to address deferred maintenance for approval by the Board of Supervisors in May;
- 2) Implement Job Order Contracting as a project delivery tool;
- 3) Develop alternatives to address the deferred maintenance backlog, including bonding;
- 4) Implement a Preventative Maintenance Program;
- 5) Continue efforts underway on the joint occupancy agreements with the courts and the Oak Park properties to eliminate costs and realize a return on investment;
- 6) Evaluate properties identified as potential for surplus per the Real Estate Asset

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY  
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **03/31/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 31, 2015

Contact: Julie Bueren  
(925) 313-2201

David Twa, County Administrator and Clerk of the Board of  
Supervisors

By: , Deputy

cc: Lisa Driscoll, County Finance Director, Robert Campbell, County Auditor-Controller

Management Program Policy and develop recommendations for consideration by the Board of Supervisors;

## RECOMMENDATION(S): (CONT'D)

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7) Work with the County Administrator and County Departments to develop priorities and funding strategies for future facility needs and capital improvements; and

8) Report to the Finance Committee a minimum of every 6 months, or as needed for decision making, on the status of deferred maintenance project delivery, capital projects delivery, recommendations for addressing the deferred maintenance backlog, disposing of surplus properties and priorities for capital projects.

## FISCAL IMPACT:

Funding to manage County facilities comes from department funds and various building funds. Specific funding has been allocated toward the Facility Life-Cycle Investment Program projects. Costs for real estate, environmental, legal staff, title reports and recording fees will be funded through proceeds of sales of surplus properties.

## BACKGROUND:

The County has a large deferred maintenance backlog on county facilities. In 2007, an assessment of some county buildings was done that estimated the 10 year need at that time to be \$270 million. The report recommended project priorities and funding amounts to address these needs. Unfortunately no funds were allocated to the Facilities Life-Cycle Investment Program (FLIP) until Fiscal Year 2012-13 when \$5 million was allocated for three projects: a sewer replacement at the Byron Boys Ranch, Chillers at the Martinez Detention Facility and repairs to the Finance Building. The sewer replacement and chillers projects were completed. The Finance Building is a complex project because it is a historic structure. It is scheduled to start construction in June of this year. An additional \$10 million was allocated towards FLIP in Fiscal Years 2013-14 and 2014-15, and \$10 million is proposed in the Fiscal Year 2015-16 budget. To date \$3.4 million has been spent and \$9.5 million has been encumbered. Including the proposed \$10 million in next year's budget, this leaves a balance of \$22 million to program towards FLIP projects.

We have just completed and updated the assessment of 81 buildings at 48 sites in 2014. Staff is reviewing the draft report. The report estimates a total ten year need of \$321,285,649 of this \$164,401,883 is obligated with FLIP funds.

Projects and Facilities Maintenance staff are reviewing the recommended priority projects from the assessment and developing a \$22 million program of projects to be funded with Facilities Life-Cycle Investment Program and a schedule for delivery for approval by the Board of Supervisors.

In order to be efficient in delivering projects we need to employ a variety of project delivery methods. We do some work with our own staff, but many projects are bid out through using both informal and formal bidding processes. More complex projects are

managed by project managers. We currently do not use Job Order Contracting and recommend move forward to implement this project delivery tool.

A job order contract is a contract for a fixed term or maximum dollar value, whichever occurs first, in which a contractor is selected based on a competitive bid to perform various separate job orders in the future, during the life of the contract. Procurement for job order contracts must still follow the requirements of California Public Contract Code sections 10500-10506; it is a contract, not a purchase order.

Job order contracts are typically used for well-defined, recurring or repetitive work where quick execution is essential. It is an appropriate delivery method for any type of repetitive work, especially small renovation jobs. It allows for a longer relationship with the selected contractor as various job orders issued under the contract are performed during the contract term. Because the contractor has been selected and the unit price is fixed (by the project task catalog and the contractor's adjustment factor), a job order contract allows contractor input prior to design, which can expedite the work.

Continued funding is needed to address our facility needs. The overall need can be reduced by strategically reducing our inventory through surplus of facilities that are no longer needed for County business. Project delivery tools to improve efficiency are essential. Another option to explore is bundling projects for bonding. This would require a very detailed scope and schedule and project management oversight. The Department will work with the County Administrator's Office to evaluate whether bonding is an appropriate mechanism to address our deferred maintenance needs and make a recommendation to the Finance Committee of the Board of Supervisors.

Preventative maintenance is an important component of managing our facilities. We currently have a very limited program that includes fire systems as mandated by the state and some mechanical systems as well. We are recommending a comprehensive preventative maintenance program that includes electrical and plumbing systems as well as exteriors such as roofs, siding and paint. Costs for preventative maintenance will be monitored and tracked by building. An effective preventative maintenance program will reduce the need for emergency repairs and help reduce future deferred maintenance needs.

The County has several underutilized facilities and parcels of vacant land. Work is currently underway to position our properties in Pleasant Hill (Oak Park and Beatrice) for sale. Staff is working with the City of Pleasant Hill on a plan for the area that may include a new Pleasant Hill Library. Staff is also working to disengage the County from the Joint Occupancy Agreements with the Courts.

In addition to these efforts a streamlined evaluation of potential surplus properties is recommended. This will involve outreach to County Departments to ensure there is not a need for them and developing recommendations to dispose of the properties to maximize the return on investment.

Understanding the County's long term needs is essential for planning. Public Works has been working with County Departments in planning for facility needs. We need to develop a facility master plan that defines both near and long term facility needs and sets priorities and includes funding strategies for implementation.

CONSEQUENCE OF NEGATIVE ACTION:

None.

CLERK'S ADDENDUM

***ACCEPTED the report and APPROVED the recommendations; and DIRECTED that proceeds derived from surplus property disposal be allocated to the capital facilities fund.***

ATTACHMENTS

Infrastructure Workshop PowerPoint