



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Julia R. Bueren, Public Works Director/Chief Engineer  
Date: September 20, 2016

Subject: APPROVE Change Order No.1 with John F. Otto, Inc., for Job Order Contract 002

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute Change Order No. 1 with John F. Otto, Inc., for Job Order Contract 002, to increase the payment limit by \$2,500,000, to a new maximum contract value of \$4,500,000, as allowed by Public Contract Code.

**FISCAL IMPACT:**

Projects under Job Order Contract 002 are only issued when there is an approved project and funding. The maximum contract value of \$4.5 million per annual job order contract is a maximum limit based on Public Contract Code Section 20128.5 (not actual appropriated dollars), and it is possible that the limit may not be reached. Having this limit allows for efficiency and flexibility in accomplishing work up to the maximum statutory limit.

**BACKGROUND:**

On March 31, 2015, the Public Works Department participated in a County Building Infrastructure Workshop before the Board. At that time, Capital Projects and Facilities Maintenance staff were reviewing the recommended priority projects from the 2014 assessment of 81 buildings at 48 sites to present the list of projects to be funded under the

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **09/20/2016** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Federal D. Glover, District V Supervisor

ABSENT: Mary N. Piepho, District III Supervisor  
Karen Mitchoff, District IV Supervisor

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: September 20, 2016

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

By: Chris Heck, Deputy

Contact: Ramesh Kanzaria, (925)  
313-2000

Facilities Life-Cycle

## BACKGROUND: (CONT'D)

Investment Program (FLIP). On May 12, 2015, the Board approved the FLIP project list for the Fiscal Year 2015/2016.

The Job Order Contract (JOC) Program was developed to deliver deferred maintenance construction projects associated with Facilities Life-Cycle Improvement Program (FLIP) project list and to accomplish critical maintenance, repair, and remodeling projects. One of the benefits of the JOC Program is that it enables staff to complete eligible projects at a lower cost and in a shorter time period.

On September 15, 2015, the Board of Supervisors authorized the Public Works Director to solicit bids for job order contracts. On November 10, 2015, the Board of Supervisors awarded three contracts each in the amount of \$2,000,000 to Sea Pac Engineering (JOC 001), John F. Otto, Inc. (JOC 002), and Mark Scott Construction (JOC 003). The California Public Contract Code (PCC) Section 20128.5 provides that counties may award annual contracts up to a maximum allowable contract value of \$4,659,196 (\$3,000,000 in 1998 increased annually by the California Consumer Price Index).

To date, the JOC Program has been, and is anticipated to be, a valuable construction project delivery tool for the term of the JOC contracts. Central to the JOC Program is that JOC contracts are performance-based; and as JOC contractors perform well and timely, they will be the more likely candidates for consideration for future JOC Job Orders. John F. Otto, Inc. has performed well and is accomplishing projects on the FLIP project list and other critical projects. The Capital Projects Division will not be ordering any more JOC task projects under the Sea Pac Engineering (JOC 001) contract, and desires to increase the amount of JOC projects to be performed by John F. Otto, Inc. (JOC 002). The current one year Job Order contract 002 is at the maximum \$2,000,000 contract limit yet the County's ability to issue JOC Job Orders expires in June 2017. With many projects still eligible to be accomplished under the JOC program, there is a great need to continue utilizing the existing JOC contract.

Public Works Director recommends the Board to approve Change Order No. 1 with John F. Otto, Inc. for Job Order Contract 002, in the amount of \$2,500,000, to increase the payment limit from \$2,000,000 to a new maximum contract value of \$4,500,000, as allowed by Public Contract Code.

## CONSEQUENCE OF NEGATIVE ACTION:

If the change order is not approved, the County will not have the resources to complete deferred maintenance projects as described in the FLIP report and other County construction projects involving repair, remodeling, and other repetitive work.