34-15

# PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date: October 5, 2010	[X] Consent [ ] Ordinance	[ ] Regular [ ] Public Hearing
Department: Facilities Developme	ent & Operations	

#### I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: A) A sole source procurement with The Gordian Group, Inc. (TGG) for consulting/professional services in conjunction with the Job Order Contracting (JOC) system; and

B) Amendment No. 6 to Contract with The Gordian Group, Inc. (R2005-1489) for consulting/professional services extending the contract until October 5, 2011, and increases the not-to-exceed limit from \$675,000 to \$775,000.

Summary: The County has a need on an on-going basis for a process/system which reduces the time associated with scoping, bidding and awarding of contracts for minor construction projects while maintaining compliance with all local bidding and contracting requirements and practices. The Job Order Contracting (JOC) system is the only integrated system which provides for; 1) development of standard contract documents, 2) identification of tens of thousands construction tasks with pricing and associated technical specifications, 3) maintenance of software system for scope and contract preparation, 4) support for bidding, and 5) technical support. TGG is the only provider of JOC or similar integrated system. On April 20, 1993, the Board authorized FDO to negotiate a sole source contract with TGG for consulting services. New sole source determinations were subsequently made in 1997, 2001, and 2005 with a subsequent contract extension in 2009. A new sole source determination is required by the Purchasing Code and that determination will be implemented by a contract extension in order to take advantage of a reduced license fee, 23% lower than the market, and only available via a contract extension.

Amendment No. 6 is an extension to the contract with The Gordian Group, Inc. The Gordian Group provides professional services required to implement the JOC system to facilitate renovation, repair, and/or maintenance improvement projects. Compensation is 1.5% of the dollar value of issued JOC work orders estimated to be \$100,000 over the term of the extension. Staff is bringing forward the amendment at this time based on expiration of the term as well as pending work which would exceed the value assigned to the contract. All other terms of the original contract remain in effect. The Gordian Group is a South Carolina company. (FD&O Admin) Countywide (JM)

Background and Justification: On April 20, 1993, the Board authorized the Facilities Department to negotiate a sole source contract with The Gordian Group, Inc. for consulting services. The terms of this contract were for two years with two one-year options. New sole source contracts for the same duration were awarded in 1997, 2001, and 2005. To date, The Gordian Group, the originators of the JOC concept, is the sole provider of this type of services, consistent with the County's needs. The PROGEN software is proprietary to The Gordian Group and has not been duplicated by anyone else. Changing to a different software system is not feasible as there are none equal.

Attachments:

Amendment No. 6

Recommended by:

Approved by:

(Continued on Page 3)

Approved by:

(Continued on Page 3)

Approved by:

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## II. FISCAL IMPACT ANALYSIS

## A. Five Year Summary of Fiscal Impact:

Fiscal Year	2011	2012	2013	2014	2015	
0.315	\$100,000					
Capital Expenditures		•	0	0	0	
Operating Costs	0	0	0	0	0	
External Revenues	0	0	0	0	0	
Program Income (County)	0	0	0	0	0	
In-Kind Match (County)	0	0	0	0	0	
NET FISCAL IMPACT	\$-100,000	0	0	0	0	
# Additional FTE						
Positions (Cumulative)	_			_	_	
Is Item Included in Current Budge	et? Yes <u>x</u> N	o				
Budget Account #: Not applicable	e					
Reporting Category						
Recommended Sources of Funds/Sum	mary of Fiscal In	npact:				
	,	The fundi	ing sources	for work	orders	
awarded pursuant to this amendment	will be from vario	us capita	l and maint	enance acc	counts.	
The fee for these services will be 1.5%	6 of the value of $6$	ach work	order issue	æd.		
Departmental Fiscal Review:						
III. REV	VIEW COMME	NTS				
OFMB Fiscal and/or Contract Deve	lopment & Cont	rol Comi	ments:			
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Assistant County Atterney	V					
Colonial County Attendey						
Other Department Review:						
Cenci Department Review:						
Department Director						

This summary is not to be used as a basis for payment.

### **Background and Justification (Continued):**

The Gordian Group's current standard fee for maintenance and support services is 1.95% for the first \$10 Million in construction per year, and 1.5% thereafter. The County has successfully kept our fee at 1.5% since 1997. Due to language in their contracts with other Government Agencies, The Gordian Group is no longer able to offer new contracts to anyone at less than their standard fee of 1.95%. They are however able to offer the County an extension to our existing Contract at the current 1.5% fee for an additional two (2) year period. This Amendment will serve as the second year of the two (2) year period and will allow the County to accept the 30% fee discount offered for the maximum one (1) year extension period allowed.

Amendment No. 6 is the final extension to the Contract for Consulting/Professional Services which was awarded to The Gordian Group, Inc. on August 16, 2005 for two years and \$175,000 with two options for one year and \$90,000 each. This contract was previously amended on December 5, 2006, September 11, 2007, June 3, 2008, July 21, 2009, and July 7, 2010. The Gordian Group was selected to perform professional services as part of the implementation of the Job Order Contract (JOC) system to facilitate the construction of minor projects. Services include the production of, and update to, the automated software, JOC training for contractors and staff, technical support, and unit price books.



August 11, 2010

Mr. Chauncey Taylor Palm Beach County 3323 Belvedere Road West Palm Beach, FL 33406

Re: Proposal to Provide JOC Consulting Services

Dear Mr. Taylor:

Thank you for the opportunity to submit this proposal to continue providing our products and services to the Palm Beach County (County) Job Order Contracting (JOC) program.

The Gordian Group proposes to provide all of the maintenance and support services you are accustomed to receiving, such as preparing updated Contract Documents, Construction Task Catalogs® and Technical Specifications for each new contractor solicitation; assisting with bidding new contracts; providing access to the PROGEN® information management software and all new releases; preparing and revising PROGEN® reports; providing day-to-day technical support services; and providing all training necessary for the proper utilization of the JOC program by both County and contractor staff. A detailed list of our maintenance and support services is attached for your review.

The Gordian Group commits a considerable amount of time and effort in research and development to ensure that our products and services are the very best. We remain the only firm that provides one-stop shopping for all of the products and services necessary to develop, implement and support JOC programs. Our PROGEN® software, Construction Task Catalog®, Technical Specifications and supporting materials are prepared by full-time Gordian employees. We do not rely on third parties and we will never place the blame on someone else when you have a problem. We are fully accountable for the performance of the JOC System we provide to our clients.

The Gordian Group's standard license fee to provide maintenance and support services for clients similar to the County is 1.95% of the work ordered through JOC. The majority of our clients are public facility owners, similar to the County. It is important to each client that they do not pay more than other similar clients. Some include "most favored customer" language in their contracts. As a result, we are not able to accept any new contracts with a license fee less than 1.95%. However, should the County elect to extend the current contract, rather than issue a new contract, we will agree to renew at the current 1.5% license fee for another year through October 6, 2011.

Thank you for the opportunity to present this proposal. Please contact me at (800) 874-2291 or at d.mahler@gordian-group.com if you have any questions or if you need any additional information.

Sincerely,

David L. Mahler

Vice President of Finance

David & Maller

## Job Order Contracting Maintenance & Support Scope of Services

#### **Program Support**

- 1. Provide strategic guidance to the project team
- 2. Monitor program performance, as requested
- 3. Integrate successful experiences from other facility owners using JOC
- 4. Identify and consult on major program issues
- 5. Provide guidance and interpretations on procedures
- 6. Assist with interpretation of the Construction Task Catalog® including:
  - a. Resolve Construction Task Catalog® issues
  - b. Manage revisions to the Construction Task Catalog®
- 7. Conduct annual on-site reviews of the JOC program, as requested
- 8. Prepare program evaluations, as requested
- 9. Provide Construction Cost Index calculations for new JOC contract adjustment factors
- 10. Assist in the development of critical projects

#### Procurement & Document Maintenance Support (On-Site)

- 1. Provide assistance with modifications to the Instructions to Bidders
- 2. Provide assistance with modifications to the General Conditions
- 3. Conduct research to identify recurring use of non-prepriced tasks
- 4. Manage and coordinate preparation of updated Construction Task Catalogs®
- 5. Manage and coordinate preparation of updated Technical Specifications
- 6. Conduct informational seminars for local groups, as requested
- 7. Conduct outreach to local contractors making them aware of bidding opportunities
- 8. Assist with bidding new JOC contracts including:
  - a. Conduct pre-bid meetings with potential contractors
  - b. Assist with bid review and JOC contractor selection, as requested

#### Procurement & Document Maintenance Support (Off-Site)

- 1. Prepare customized Construction Task Catalogs® including:
  - a. Maintain the integrity of the CSI numbering system
  - b. Improve task descriptions
  - c. Develop new tasks for recurring non-prepriced tasks
  - d. Remove outdated tasks that are no longer used or available
  - e. Monitor local area pricing
  - f. Incorporate current construction practices and materials
  - g. Publish Construction Task Catalogs® for additional solicitations
- 2. Prepare customized Technical Specifications including:
  - a. Develop new specifications for recurring non-prepriced tasks
  - b. Incorporate current construction practices, standards and materials
  - c. Publish Technical Specifications for additional solicitations

#### **Job Order Contracting** Maintenance & Support Scope of Services

#### **Training Support**

- Update the Training Manual to reflect changes in procedures, if any
- 2. Conduct refresher training on procedures for current Client and JOC contractor staff
- 3. Conduct JOC procedures training for new Client and JOC contractor staff
- 4. Provide hands-on training for new Client and JOC contractor staff in the areas of:
  - a. Project identification and development
  - b. Joint scope meetings
  - c. Project scope development
  - d. Proposal development and preparation
- e. Proposal review and variance resolution 5. Conduct PROGEN® software training including:
  - a. Provide on-site PROGEN® assistance for Client staff, as needed or requested
  - b. Provide refresher training for current Client and JOC contractor staff
  - c. Provide on-site/Internet based training for new releases of PROGEN®
  - d. Provide on-site/Internet based training for all new Client staff
  - e. Provide Internet based training for current and new JOC contractor staff

#### Software Support

- 1. Provide access to PROGEN® for an unlimited number of Client and JOC contractor users
- Provide software technical support, including:
  - a. Set-up PROGEN<sup>®</sup> access for new Client and JOC contractor personnel
     b. Set-up PROGEN<sup>®</sup> access for new JOC contractors

  - c. Provide systems support in connection with PROGEN®
- 3. Provide access to all new releases of PROGEN® software
- 4. Write, test and finalize modifications to existing PROGEN® reports, as requested
- 5. Write, test and finalize new PROGEN® reports, as requested
- 6. Provide toll free 24/7 telephone support for PROGEN® software

#### AMENDMENT #6 TO CONTRACT FOR CONSULTING/PROFESSIONAL SERVICES

This Amendment No. 6 dated October 6, 2010 to the Contract (R-2005-1489) dated August 16, 2005, by and between Palm Beach County, a political subdivision of the State of Florida, by and through its Board of Commissioners, hereinafter referred to as the COUNTY and The Gordian Group, Inc., a corporation authorized to do business in the State of Florida, hereinafter referred to as the CONSULTANT.

The contract provided that Contractor would provide professional consultant services for the continuation of the Job Order Contracting (JOC) System as stated below:

	Effective Date	End Date	Added Capacity	Cumulative Capacity
Original	August 16, 2005	August 15, 2007		\$175,000
Contract				
Amendment #1	December 5, 2006	December 4, 2007	\$90,000	\$265,000
Amendment #2	September 11, 2007	September 10, 2008	\$90,000	\$355,000
Amendment #3	June 3, 2008	August 15, 2009	\$149,000	\$504,000
Amendment #4	July 21, 2009	August 15, 2010	\$96,000	\$600,000
Amendment #5	July 7, 2010	October 5, 2010	\$75,000	\$675,000

Amendment No. 6: 1) extends the term of the original contract through October 5, 2011, 2) increases the total dollar value by \$100,000 for a new total contract value of \$775,000, and 3) incorporates the following language:

Palm Beach County has established the Office of the Inspector General, Ordinance R2009-049, as may be amended. The Inspector General's authority includes but is not limited to the power to review past, present and proposed County contracts, transactions, accounts and records, to require the production of records, and audit, investigate, monitor, and inspect the activities of the contractor, its officers, agents, employees, and lobbyists in order to ensure compliance with contract specifications and detect corruption and fraud. All contractors and parties doing business with the County and receiving County funds shall fully cooperate with the Inspector General including receiving access to records relating to Bid or any resulting contract.

ATTEST:	
Witness:  Linday Sandeken Signature	The Gordian Group, Inc.  David L. Maller  Signature
Christina J.L. Sandefur	David L. Mahler, VP of Finance
Printed Name	Printed Name and Title
SHARON R. BOCK, Clerk & Comptroller	PALM BEACH COUNTY, FLORIDA, a Political Subdivision of the State of Florida  BOARD OF COUNTY COMMISSIONERS
Deputy Clerk	Burt Aaronson, Chair
APPROVED AS TO FORM AND LEGAL SUFFICIENCY	APPROVED AS TO TERMS AND CONDITIONS
County Attorney	Director, Facilities Development & Operations

Except as amended herein, all provisions of the existing contract shall remain in full force and