PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date: September 9, 2014

[X] Consent[] Ordinance

[] Regular[] Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Amendment No. 2 to Contract with The Gordian Group, Inc. (R2011-1350) for consulting/professional services in conjunction with the Job Ordering Contract (JOC) system extending the contract until September 12, 2015.

Summary: Amendment No. 2 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 to The Gordian Group, Inc. is 1.95% of the dollar value of issued JOC work orders which remains unchanged. Staff is bringing forward the amendment at this time based on expiration of the term. This amendment also includes an option for the County to supplement its project management services by using The Gordian Group, Inc. to assist JOC contractors with their scope preparation and reviewing the quote at the rate of 3.05%. (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, 2005, 2009, and 2011. 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 another firm.

Amendment No. 2 is an extension to the Contract for Consulting/Professional Services which was awarded to The Gordian Group, Inc. on September 13, 2011 for two years with a not-to-exceed limit of \$400,000 with three options for one year renewals. The total fees to date are \$151,840.94. 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. The Gordian Group's "JOC Complete Solution" services are added to their scope which provides for additional project management services.

Attachments:

1. Amendment No. 2

Recommended by:	Anny Wouf	-7(31/14
7	Department Director	Date
// Approved by:	County Administrator	



II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures	<u>\$ 0</u>	0	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 # ADDITIONAL FTE POSITIONS (Cumulative)	<u>\$ 0 *</u>				
Is Item Included in Current Budget? Yes X No Budget Account No: Fund Dept Unit Object Reporting Category					
B. Recommended Sources of Funds/Summary of Fiscal Impact:					

This item does not authorize any expenditures. Payment to The Gordian Group (TGG) will be made from the project budget capital account for each project as work orders are approved and the work prosecuted.

C. Departmental Fiscal Review:

III. <u>REVIEW COMMENTS:</u>

A. OFMB Fiscal and/or Contract Development and Control Comments:

OFMB

dministrator ler

B. Legal Sufficiency:

Assistant County

C. Other Department Review:

Department Director

ATTEST:

Witness: Chris Bouman Signature

Chris Bouman

Printed Name

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

ft hier Assistant County Attorney

ATTEST: SHARON R. BOCK, CLERK & COMPTROLLER

Deputy Clerk

The Gordian Group, Inc.

annan 7 Signature

Amonon T. Lesher, VP of Legal Affairs Printed Name and Title

APPROVED AS TO TERMS AND CONDITIONS

in my Work XIL Audrey Wolf, Director

Facilities Development & Operations

PALM BEACH COUNTY, FLORIDA, a Political Subdivision of the State of Florida BOARD OF COUNTY COMMISSIONERS

Priscilla A. Taylor, Mayor

TGG Amendment 2 (2014)

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July 8, 2014

John Chesher Director, Capital Improvements Division 2633 Vista Parkway West Palm Beach, FL 33411-5604

Re: Proposal to Provide JOC Complete Solution

Dear Mr. Chesher:

The Gordian Group ("Gordian") appreciates the opportunity to submit this proposal to provide JOC Complete Solution[®] services to Palm Beach County ("County"). We are confident that having this additional service available will add significant value to the County's Job Order Contracting ("JOC") program.

Gordian refers to the JOC solution we implemented for the County as the Gordian JOC Solution[™]. With this solution, we developed, implemented and currently support the County's JOC program. A significant component of the Gordian JOC Solution is the training we provide to our client's staff to teach them to perform the tasks necessary to administer the JOC program and develop Job Orders from project identification to issuing the Job Order to the JOC contractor. From time-to-time, many of our clients request assistance with developing Job Orders. Some request assistance due to staff shortages or vacancies, and others due to temporary excess workloads or new staffing directives. Gordian offers an option for this situation, which we call the JOC Complete Solution[®]. Gordian proposes to continue providing Gordian JOC Solution services to the County, while also allowing the County to elect the JOC Complete Solution services on a project-by-project basis. This approach will allow the County to assign individual projects to Gordian when your staff needs additional help with their workload. For each project assigned by the County, our account managers will perform the Job Order Development tasks specified in the JOC Complete Solution description below.

JOC Complete Solution®

The JOC Complete Solution is a turnkey procurement approach that tailors Job Order Contracting components to form a unique, comprehensive and high-performing "complete" JOC program. The JOC Complete Solution



includes all of the products and services currently provided to the County and, in addition, Gordian provides account managers to assist with developing Job Orders from project identification to issuing the Job Order.

Developing the Job Order is the most critical step in the JOC process for controlling costs because this is the step where it is determined that the County is paying for the correct tasks in the proper quantity and at the correct competitively bid price. Many of our clients have determined that they need help with developing Job Orders and are utilizing the JOC Complete Solution. We are confident that making JOC Complete Solution services available to the County's project managers will enhance the County's JOC program internal control procedures, ensure the highest level of accountability and transparency, and bring the most economic benefit to the County with long term cost savings.

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A detailed list of the tasks Gordian performs to develop Job Orders is as follows:

- **Project Identification** When a project is identified, Gordian will contact the County and assist with determining whether the project is appropriate for JOC.
- Contractor Identification In the event the County has multiple JOC contractors, we will assist with identifying the appropriate JOC contractor for the project based on the type of work involved and the location of the project, and obtain the County approval of the contractor selection.
- Joint Scope Meeting Then a Gordian Account Manager will quickly schedule a Joint Scope Meeting at the project site to help the County and the JOC contractor agree on the details of the work that the JOC contractor will perform. The scoping process allows the JOC contractor to inspect the site and ask questions before submitting a Price Proposal. This upfront open communication eliminates the misunderstandings and mistakes that lead to most change orders and often results in more cost-effective collaborative solutions.
- Develop Detailed Scope of Work Next, the Gordian Account Manager will assist in preparing a Detailed Scope of Work that describes the work the JOC contractor will perform. We will also assist with resolving issues when project plans and actual conditions vary.
- Request for Price Proposal After all parties are in agreement that the Detailed Scope of Work properly reflects the work to be performed, the Gordian Account Manager will send the Detailed Scope of Work and a Request for Proposal to the JOC contractor.
- Prepare the Price Proposal Next, the JOC contractor prepares and submits a Price Proposal by selecting the appropriate tasks from the Construction Task Catalog[®]. Gordian's JOC software will automatically calculate the total cost for each line item by multiplying the unit price of the task by the required quantities and the JOC contractor's competitively bid Adjustment Factor. The JOC contractor will also prepare additional County required information (e.g., construction schedule, list of proposed local subcontractors, etc.).
- **Price Proposal Review** Then, the Gordian Account Manager will review the Price Proposal to make sure the JOC contractor has selected the appropriate tasks and quantities and will ask the JOC contractor to make any required changes. We will also obtain and review any County required information submitted by the JOC contractor such as a construction schedule and list of proposed subcontractors. Then, the Gordian Account Manager will submit the Price Proposal and related documents to the County.
- Issue Job Order Once the County is 100% satisfied with the Price Proposal and related documents, and decides to move forward with the project, the County simply issues a purchase order to the contractor.
- Construction Management During construction, the County will follow its standard internal policies and procedures for construction management and site inspections, including coordinating any required code inspections. When unforeseen conditions arise or the County desires to change the Detailed Scope of Work, a supplemental Job Order is developed in the same manner as the original Job Order. With JOC, changes to the work are pre-priced.

JOC Complete Solution® Fees

Gordian's fees to provide the JOC Complete Solution consist of the JOC System License Fee currently charged to the County, and, in addition, a Job Order Development Fee as specified below:

JOC System License Fee:	One and Ninety-Five Hundredths Percent (1.95%) of the value of the work ordered through the JOC program; and
Job Order Development Fee:	Three and Five-Hundredths Percent (3.05%) of the value of the work ordered.

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The JOC Complete Solution Fees are payable when a Job Order is issued to the JOC contractor, and the Job Order Development Fee will only apply when JOC Complete Solution services are requested by the County on a project-by-project basis.

Staffing

Gordian will provide experienced account management staff at the level necessary to properly perform the services described above. Joie Serra will continue to serve as the Account Manager, and will be responsible for staffing and managing the County JOC program, along with performing Job Order Development services. Joie has been extensively involved in every facet of the County JOC program, has a complete understanding of the County's internal processes, and has developed working relationships with a large cross section of your staff and JOC contractors. Gordian is prepared to staff the County's JOC program as necessary to properly provide the services described in this proposal. In the event additional staff is needed, the County will have the opportunity to interview and approve all new staff before they perform any services.

Contract Form

An amendment to the contract between the County and Gordian will be needed to incorporate the JOC Complete Solution level of services and fee. Upon request, Gordian will prepare a proposed amendment for the County that includes the terms described in this letter.

Thank you for your consideration of this proposal. Please contact Dan Cook at (800) 874-2291 or d.cook@thegordiangroup.com if you have any questions or if you need any additional information.

Sincerely,

Barman Lever

Ammon T. Lesher Vice President of Legal Affairs

CC:

Dan Cook Joie Serra Darrell Lange

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