

Gordian JOC Solution

Through the JOC solution proposed below, Gordian will develop, implement, and support the County's JOC program and the procurement of each JOC project through our Job Order Development services as outlined below:

- **Experienced Account Managers.** Gordian will provide experienced Account Managers responsible for the implementation and support of the County's JOC program. This staff will report directly to the County and will be available to assist with any JOC-related issues.
- **Establish JOC Program Guidelines.** Gordian will be responsible for conducting the activities necessary for establishing the structure of the County's JOC program. Responsibilities include preparing County-specific Execution Procedures that will be used to perform the JOC program.
- **JOC Program Documents.** Gordian will be responsible for preparing the JOC program Contract and General Conditions, Bid Documents, and Technical Specifications and for providing a customized Construction Task Catalog®.
- **JOC Software Applications.** Gordian will be responsible for providing a license for an unlimited number of County users to access Gordian's web-based JOC System, which includes Gordian's JOC information management software (JOC Software) and Construction Task Catalog. The JOC System will be capable of generating the JOC documents including independent cost estimates, contractor Price Proposals, Job Orders, and management reports and forms. The County's standard reports and forms will be incorporated as requested.
- **Marketing.** Gordian will be responsible for marketing the JOC program by informing internal County staff about JOC, conducting pre-bid seminars for the JOC construction contractors, and assisting with the procurement of the JOC contracts.
- **Training.** Gordian will be responsible for developing and conducting a comprehensive JOC training program for the County's and JOC contractor staff, which will include different course modules that will provide specialized training to the County and JOC contractor staff.
- **Ongoing Support and Maintenance.** Gordian will be responsible for providing comprehensive JOC follow-on support to the County for the administration of its JOC program. Gordian will monitor the overall program and prepare any required status reports. Support services will include, but are not limited to, unlimited toll-free JOC Software support, access to all JOC Software updates and additional functionality, updating the Construction Task Catalog for each new JOC contract, Technical Specifications, Contract and General Conditions and Bid Documents, providing procurement assistance for new JOC contracts, providing training for new County and JOC contractor staff, and preparing requested customized forms and reports.

Gordian JOC Solution License Fee

The License Fees for the Gordian JOC Solution consist of a client paid license fee ("Client License Fee"), as provided below:

- Client License Fee: 1.95% of the value of work ordered.

Gordian JOC Solution License Fees are payable when a Job Order is issued to the JOC contractor.

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 the products and services provided by the Gordian JOC Solution and, in addition, Gordian will provide account managers to assist with developing Job Orders from project identification to issuing the Job Order. Job Order Development can be selected by the County as part of a comprehensive support package for every Job Order, or on a project-by-project basis.

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 quantity at the correct competitively bid price for each project. It is very important that experienced, qualified project managers develop every Job Order. Many of our clients have determined that they desire help with developing Job Orders and have selected our JOC Complete Solution option. Some have chosen it because they lack staff capacity and others because they recognize the significant value of using Gordian’s experienced, qualified, third-party account managers to develop Job Orders, which includes reviewing every Price Proposal submitted by the JOC contractors. Whatever the reason, we are confident that the JOC Complete Solution will bring the most economic benefit to the County with long term cost savings. A detailed list of the tasks Gordian performs to develop Job Orders is as follows:

- **Job Order Development.** Gordian will be responsible for assisting the County 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 where it is determined that the County is paying for the correct tasks, in the proper quantity, and at the correct competitively bid price. It is very important that qualified project managers develop each Job Order. A detailed list of the tasks Gordian performs to develop Job Orders is as follows:
 - > **Project Identification.** When a project is identified, Gordian’s Account Managers 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 the County in identifying the appropriate JOC contractor for the project based on the type of work involved and the location of the project.
 - > **Joint Scope Meeting.** 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.** 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.** The JOC contractor will prepare and submit 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.** 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. The Gordian Account Manager will submit the Price Proposal and related documents to the County.
- > **Issue Job Order.** Once the County is satisfied with the Price Proposal and related documents and decides to move forward with the project, simply issue a purchase order to the contractor.
- > **Construction Management.** During construction, the County's project managers 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, which is inclusive of the 1.95% JOC System License Fee assessed to the County for the Gordian JOC Solution services, is specified below.

- JOC Complete Solution Fee: Five percent (5.00%) of the value of the work ordered.

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

JOC Complete Solution services can be requested on a project-by-project basis, which can be a valuable tool when the County requires additional support due to unforeseen circumstances such as staffing shortages and temporary increased workloads. JOC Complete Solution Fees are payable when a Job Order is issued to the JOC contractor and will only apply when Job Order Development services are requested by the County.

Price Proposal Review

As an alternative to the comprehensive Job Order Development services typically offered through the JOC Complete Solution, Gordian offers Price Proposal review services. In our experience, Price Proposal review services provide substantial savings in comparison with the additional fee paid. In particular, the Gordian account manager will perform the following tasks:

- Review and become familiar with the Detailed Scope of Work to obtain a clear understanding of the work to be performed
- Determine that the JOC contractor is proposing the reasonable means and methods to perform the work specified in the Detailed Scope of Work
- Verify that the correct tasks have been selected to perform the Detailed Scope of Work

- Verify quantities included in the Price Proposal against the Detailed Scope of Work or any design documents provided by the County
- Verify that any task listed as a Non-prepriced item includes the requisite price justifications, and verify that any task listed as a Non-prepriced item is not available in the Construction Task Catalog
- Verify that the correct adjustment factor has been used to prepare the Price Proposal
- Explain the necessary revisions to the Price Proposal to the JOC contractor and assist the County in obtaining a final Price Proposal from the JOC contractor.

Price Proposal review services do not include responsibilities for conducting or attending Joint Scope Meetings, preparing Detailed Scopes of Work, verifying task quantities at the worksite, issuing RFPs, compiling Job Order documents, obtaining necessary approvals, entering information into eGordian or facilitating the issuance of a Job Order from the County to the JOC contractor.

Price Proposal Review Fee

The fee for the Price Proposal review services described above is in addition to the 1.95% license fee currently assessed to the County, and is as follows:

- **Price Proposal Review Fee.** One percent (1.00%) of the value of the Job Order issued to the JOC contractor by the County.

The Price Proposal Review Fee will be payable upon the issuance of a Job Order, purchase order, or similar purchasing document to the JOC contractor by the County. This fee will only be assessed when these services are requested by the County on a project-by-project basis.

JOC Project Management Services

The JOC Project Management Services option can also be available to the County on any project that includes the Job Order Development Service. This service includes project management services to manage Job Orders from Job Order issuance to Job Order closeout. Whether due to peak volumes, staff shortages, or new strategic staff directives, our JOC Project Management services can provide on-site construction management experts, using our proven methods, to carry out day-to-day JOC operations and relieve the County's project workload burden. Our staff becomes the County's staff. We will bring unparalleled expertise to work for the County from the start to get Job Orders completed. JOC Project Management services provided by Gordian can be a cost effective and flexible construction management solution.

A detailed list of Gordian's standard project management services, which we modify as necessary to meet the needs of each client, is as follows:

- **Preconstruction.** A Gordian construction manager will conduct a pre-construction meeting with the County's representative(s), the JOC contractor and, if applicable, the architect or engineer. The construction manager will coordinate and share any preconstruction information with the County, the JOC contractor and other appropriate parties, and will assist in the coordination of the JOC contractor obtaining the necessary permits.
- **Site Visit.** During construction, the Gordian construction manager will monitor the JOC contractor's work in-progress, manage the JOC contractor's compliance with the approved safety plan and complete a report for each site visit.

- **Communicate.** The Gordian construction manager will provide weekly construction status reports to the County, conduct project progress meetings with all JOC contractors and staff on a periodic basis, and coordinate any required technical and code inspections.
- **Supplemental Job Orders.** In the event there are unforeseen conditions or the County requests changes to the scope after the work has begun, the Gordian construction manager will analyze and process a supplemental Job Order by utilizing the procedures used to develop the initial Job Order.
- **Approvals.** The Gordian construction manager will review and approve, or direct necessary revisions to, the JOC contractor's applications for payment and obtain the County's approval of the work. Final acceptance of the work will be the responsibility of the County. Technical and code inspections will be the responsibility of the appropriate inspection agencies.
- **Project Close-out.** As the final step in the process, the Gordian construction manager will enter all Job Order related information into the JOC Software system and collect any required as-builts, warranties, etc., from the JOC contractor.

JOC Project Management Fees

Gordian's fees to provide project management services as described in the proposal consists of a Project Management Fee that will be assessed in addition to the License Fee and Job Order Development Fee described above. The Project Management Fee is as follows:

- **Project Management Fee:** Five and ninety-five hundredths percent (5.95%) of the value of the work ordered through the JOC program;

The Project Management Fee is payable directly by the County when construction of the Job Order has been completed and accepted by the County and will only apply when JOC Project Management services are requested on a project-by-project basis. At the election of Gordian, any Job Order requiring more than sixty (60) days to complete will be invoiced monthly on a percentage of completion basis. The Project Management Fee will only apply when Job Order Contracting Complete Management services are requested by the County.

Contractor License Fee

In addition to the fees described herein, Gordian will also charge each of the County's JOC contractors a contractor license fee ("Contractor License Fee") of one percent (1.00%) of the value of each Job Order, Purchase Order, or similar purchasing document issued to the JOC contractor by the County. The Contractor License Fee is assessed to the JOC contractor in return for their access to our proprietary construction data and JOC applications and is not a direct cost to the County. Gordian is responsible for all administrative duties related to the invoicing and collections of the Contractor License Fee. The Contractor License Fee is payable by the JOC contractor when a Job Order is issued by the County and will be assessed to the JOC contractor for all work ordered by the County using the JOC program.

JOC System License

Gordian's JOC solutions are subject to our standard JOC System License. A copy of the JOC System License is included with this proposal as **Attachment 1** and must be included in the contract between the County and Gordian.



Gordian appreciates the opportunity to submit this proposal to provide our JOC products and services to the County. Please contact me if you have any questions or if you need any additional information.

Sincerely,

Randy Horn

Customer Engagement Manager, West

cc: Carrie Roberts – PacCentral, Regional Director

Attachment 1

JOC System License

Gordian hereby grants to Owner, and Owner hereby accepts from Gordian for the term of this Agreement, a non-exclusive right, privilege, and license to Gordian's Job Order Contracting System and other related proprietary materials (collectively referred to as "Proprietary Information") to be used for the sole purpose of operating Owner's Job Order Contracting program. The parties hereby agree that Proprietary Information shall include but is not limited to Gordian's JOC Information Management System software and support documentation, Construction Task Catalog (also commonly referred to as a unit price book), construction cost data, training materials and other proprietary materials provided by Gordian. In the event this Agreement expires or terminates as provided herein, this JOC System License shall terminate, and Owner shall return to Gordian all Proprietary Information in Owner's possession.

Owner acknowledges that disclosure of Proprietary Information will result in irreparable harm to Gordian for which monetary damages would be an inadequate remedy and agrees that no such disclosure shall be made to anyone without first receiving the written consent of Gordian. Owner further acknowledges and agrees to respect the copyrights, registrations, trade secrets and other proprietary rights of Gordian in the Proprietary Information during and after the term of this Agreement and shall always maintain complete confidentiality regarding the Proprietary Information provided to Owner, subject to federal and state laws related to public records disclosure.

Upon expiration or termination of this Agreement as provided herein, Gordian shall provide to Owner all project data generated by Owner in a form accessible by a standard database program, such as Microsoft Access.

Gordian agrees to grant a license to each contractor that is awarded a JOC contract by Owner, provided the JOC contractor agrees to pay Gordian's contractor license fee in effect when Owner awards the contract, and provided Owner includes licensing language in the JOC contract similar in form to this JOC System License.

In the event of a conflict in terms and conditions between this JOC System License and any other terms and conditions of this Agreement or any purchase order or similar purchasing document issued by Owner, this JOC System License shall take precedence.

Attachment 2

Sole Source Justification for The Gordian Group

The Gordian Group (Gordian) is the leading firm in the nation that provides the full range of products and services necessary to develop, implement, and support Job Order Contracting (JOC) programs for public facility and infrastructure owners like the County of San Mateo. Gordian's JOC solutions are the result of over 35 years of research, development and continual improvements and are in use by more than 250 public owners throughout the U.S. and Canada.

The Gordian JOC Solution™ is a highly specialized and proprietary solution consisting of the following components:

- Gordian's web-based JOC applications are configured to meet the needs of each client
- Construction Task Catalog® customized to include the construction tasks required by each client, with task prices based on the client's local cost of labor, materials and equipment
- Extensive implementation services and support materials to train client and construction contractor staff to properly utilize the system
- On-going technical maintenance and support services during the term of the contract, including tollfree software support

All Gordian's products have been developed and are supported with in-house staff. All support services are performed with full-time Gordian employees. Gordian does not rely on third party vendors and other service providers. As a result, Gordian is always extremely responsive to the needs of their clients.

Although other firms may provide JOC services, they do so by piecing together products and services from third party vendors. Gordian has achieved 'sole source' provider status because the data, software, and technical support are all provided with, and supported by, in-house resources. Their efforts are 100% dedicated to the JOC process.

Gordian's JOC Applications. A primary feature of the Gordian JOC Solution is the proprietary, web-based JOC software Information Management System ("IMS"). Our JOC IMS applications have the functionality to completely manage the JOC process, from the contractor's preparation of a Price Proposal to the owner's review, to issuing the Job Order, to tracking M/WBE participation. The IMS was developed solely for JOC. Unlike the off-the-shelf estimating software provided by other firms, Gordian's IMS does not require any modifications to administer a JOC program.

The JOC IMS is very flexible. It can be configured to meet the data collection and reporting requirements of each client. For example, clients can select which modules they would like to use, set security levels applicable to their organization, rename fields to correspond to their standard terminology, and request reports and forms that match their standards, etc.

Construction Task Catalog. More important than the software is the Construction Task Catalog (CTC) that Gordian provides to their clients. The CTC is the only unit price book available that is developed and maintained specifically for JOC users. The CTC is customized for each client from Gordian's Construction Cost Database of more than 275,000 construction and maintenance related tasks. In addition to the CTC, Gordian also prepares Technical Specifications for each client, which describes the work the JOC contractor is obligated to perform and the quality of workmanship and materials required for each construction task. Gordian prices each CTC by obtaining the labor, material and equipment costs

applicable to each client's local area. This ensures that the most accurate prices are included in the CTC, which results in the client receiving the most competitive bids possible from the construction contractors.

Gordian Selected as the Sole Responsive Responsible Respondent. Many public facility and infrastructure owners procure JOC products and services through a competitive process. In many instances where the owner issued a Request for Proposal for full-service JOC products and services, Gordian was the only respondent. Additionally, Gordian is the only provider of JOC services with an established track record of implementing and supporting a full-service JOC program covering a broad range of geographical areas, including statewide and national programs.

Gordian has been awarded numerous contracts on a sole source basis or as the only responsible bidder in a competitive procurement. A list of contracts awarded to Gordian during the past few years on a sole source basis or as the sole responsible bidder is presented below.

Based on our research, we believe awarding a sole source contract to Gordian is justified because no other firm exists that have the qualifications and experience to provide the products and services necessary to implement and support a successful JOC program for the County of San Mateo. Further, since Gordian is the current provider of the County of San Mateo's JOC program, a sole source contract would enable the County to continue its JOC program and utilize its existing JOC contracts without interruption.

<u>Agency Name</u>	<u>Sole Source Customer Since</u>
United States Postal Service (Nationwide)	February 2005
Metro. Water Reclamation Dist. of Chicago	July 2010
San Mateo County, CA	August 2011
Solano County, CA	September 2011
Stanford University	January 2012
Pinellas County, FL	July 2012
Kern County, CA	March 2013
El Dorado County, CA	November 2013
San Mateo County	June 2014
County of San Joaquin	September 2014
Merced County, CA	August 2015
Contra Costa County, CA	July 2015
City of Santa Barbara	February 2020
City of Long Beach	November 2016
New York City Health and Hospitals	October 2019