



# MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 6/9/2014)

## Board Clerk Use Only

Meeting Date: 3/3/16  
Agenda Item #: R.3  
Est. Start Time: 10:15 am approx.  
Date Submitted: 2/19/16

## Agenda

**Title: Approval for use of a Job Order Contracting solicitation process as an Alternative Contracting Method**

*Note: Title should not be more than 2 lines but sufficient to describe the action requested. Title on APR must match title on Ordinance, Resolution, Order or Proclamation.*

## Requested

Meeting Date: March 3, 2016 Time Needed: 20 Minutes  
Department: DCM/DCA Division: Central Purchasing/DCA Hub  
Contact(s): Brian Smith  
Phone: 87546 Ext. n/a I/O Address: 503/4/Purchasing

## Presenter

### Name(s) &

Title(s): Brian Smith, Purchasing Manager & Henry Alaman, Facilities Manager

## General Information

### 1. What action are you requesting from the Board?

The Board, acting as the Public Contract Review Board, is asked to approve the Use of an Alternative Contracting Method, in accordance with PCRB 49-0620, *Use of Other Contracting Methods*, and more specifically the approval of a Job Order Contract or JOC (pronounced "Jay-Oh-See") process for first time employment in the County.

### 2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

Under the proposed job order arrangement, a single, *competitively* selected Contractor will assume responsibility to contract for and have on hand a team of sub-contractors to take on a significant level of the County's Facility Maintenance, Repair and Operations (MRO) work at the intermediate level (below \$150,000 per project). This new approach to meeting MRO needs would substantially relieve the County; including Central Purchasing, the DCA Hub and Facilities & Property Management (FPM) of significant low dollar, high volume transactional work by shifting it to the successful JOC Provider. Once the JOC Provider is selected, they will immediately begin to build a "stable" of available MRO sub-contractors on a requirements basis skilled in every trade and skill area necessary to meet Multnomah County's Facility

MRO needs.

This planned transfer of tasks to the JOC Provider will eliminate a significant County workload of conducting approximately 50-60 intermediate level procurement processes, over 20 formal procurement processes and all the associated work: the required negotiations; solicitation and contract document generation; and ongoing day to day Contract Administration workload including oversight and payments. The two-year period requested was selected to ensure adequate time to obtain Board permission to proceed with the JOC concept, issue a formal solicitation, select and negotiate a JOC contract, and allow the successful JOC Provider time to build their local infrastructure, recruit MRO sub-contractors and train County Facilities personnel on how to best employ the JOC process.

Assuming success with this process, the proposed Request For Solicitations includes annual extension options as well as options to extend the process to other County areas, including Department of County Human Services Weatherization Program and the Department of County Services Transportation Division. None of these options would be exercised without returning to the Board and providing a full disclosure on how the process worked for Facility MRO activities, where it is most often employed and has the largest dollar impact.

In anticipation of using the JOC process, we have a separate item before the Board to seek temporary special procurement relief by extending most of our current MRO contractors, eliminating unnecessary procurement and contracting activity that would only be valid for a short time until the JOC Provider is in place and begins the process of building their own in-house capability. National JOC Providers have reported needing approximately 8-12 months after selection to find and contract with enough trades to be able to meet the County's expected MRO requirements.

### **3. Explain the fiscal impact (current year and ongoing).**

There should be little fiscal impact to the County with the use of this alternative contracting approach. We are not undertaking this pilot project with the primary intent of saving money, but rather to significantly reduce low value transactional activity by Facilities, DCA-Hub, Central Purchasing and Finance (with associated non-cash releasing savings) and to promote a contracting process that prominently secures MWESB participation. Costs should be relatively stable or slightly higher – and will be more than offset by the transactional savings of shifting this high volume, low value workload to the JOC Provider.

### **4. Explain any legal and/or policy issues involved.**

The PCRB rules allow the Board to approve the use of innovative procurement techniques which differ from the rules and but that have specific justification. Our legal research has determined that ORS 279C.335, which we incorporated by reference into our PCRB 49-0620, outlines the process and necessary findings for a local contract review board to justify an exemption at subsection (2). The local contract review board may exempt a public improvement contract or class of public improvement contracts and as an alternative to the finding described in paragraph (b) of the subsection, when a contracting agency or state agency seeks an exemption that would allow the use of an alternate contracting method that the agency has not previously used and the agency may make a finding that identifies the project as a pilot project. We are not seeking exemption from a competitive process, rather permission to undertake this new contracting approach. We intend to award the JOC contract through a competitive procurement process.

### **5. Explain any citizen and/or other government participation that has or will take place.**

The conceptualization and activity around designing a plan to introduce and pilot the Job Order Contracting process to the County has been ongoing for almost two years. Briefings and/or discussions have been held throughout the County stakeholder community as well as the initiation of ongoing consultations with select national JOC firms to determine if Multnomah County is a promising candidate for this nationally utilized, but revolutionary to us process. Central Purchasing, FPM and DCA Hub have been the most involved parties to date, as our implementation strategy features piloting this process into FPM first, while retaining options to expand it into several other areas in the County where there is a high volume of non-public works maintenance, repair and operations activity for relatively low dollars. These areas include the Department of County Human Services Weatherization Program and the Department of County Services Transportation Division, including the Bridge Shop. Leadership in both organizations have reviewed the proposed solicitation and approach and provided comments. The Union and the Minority, Woman-Owned, and Emerging Small Business Community have both been informed and/or consulted.

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**Required Signature**

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**Elected  
Official or  
Department  
Director:**

DCA: Sherry Swackhamer, Director /s/  
DCM: Marissa Madrigal, Director /s/

**Dates:** February 19, 2016

*Note: Please submit electronically. Insert names of your approvers followed by /s/ - we no longer use actual signatures. Please insert date approved.*