

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON
ACTING AS THE PUBLIC CONTRACT REVIEW BOARD**

RESOLUTION NO. 2018-059

Approving Extension and Expansion of Job Order Contracting Pilot Project.

The Multnomah County Board of Commissioners Finds:

- a) On March 3, 2016, the Board of County Commissioners (Board), acting as the Public Contract Review Board (PCRB), approved 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 (JOC) procurement method as a pilot project for the County. The Board authorized a single, competitively selected Contractor to assume responsibility for contracting with and developing a team of subcontractors on a requirements basis skilled in every trade to take on the County's Facilities Maintenance, Repair and Operations (MRO) work at the intermediate level (below \$150,000 per project). The County selected Centennial Contractors Enterprises, Inc. (Centennial), through a competitive RFP and entered into Contract #44-3076 with Centennial dated effective April 1, 2017.
- b) During the past year, the JOC Pilot Project has substantially relieved 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 Centennial. Centennial has shared the responsibility to contract with Subcontractors, while increasing participation by disadvantaged business enterprises, firms owned by minorities, women, or service-disabled veterans, and emerging small businesses (DMWSDVESBs) as certified by the Oregon Certification Office for Business Inclusion & Diversity (COBID) whenever possible.
- c) Recently, Centennial broke ground on work at the Multnomah County Animal Services facility with projected COBID Certified Firm utilization of just over 40% for the entire project. The transfer of tasks to Centennial should eventually eliminate significant County workload of conducting 50 to 60 intermediate level procurements and the required negotiations, contract document generation and ongoing Contract Administration workload over the course of a year.
- d) The two-year pilot project term was selected to ensure adequate time to obtain Board authorization to proceed with the JOC concept, issue a formal solicitation, select and negotiate a contract with the successful proposer, and allow time for the JOC contractor to build its local infrastructure, recruit subcontractors and train County personnel on how to implement the JOC process.
- e) More County Project Managers now view the JOC method as another tool to complete more projects by extending resources with JOC partners. Support for expanding the JOC contracting method to other County departmental programs, including the Department of County Human Services Weatherization Program and the Department of County Services Transportation Division and other Agencies

interested in utilizing the cooperative language within the contract is evidence of the success of this pilot project.

- f) Expansion of this alternative contracting method should have little fiscal impact on the County. The primary goals of the JOC contracting method are to significantly reduce low value transactional activity by departments using JOC and to maximize DMWDSVESB participation. Costs should be relatively stable or slightly higher and will be more than offset by the transactional costs and staff resources saved by shifting this high volume, low value workload to Centennial.
- g) The PCRB Rules allow the Board to approve the use of innovative procurement methods that differ from standard design-bid-build solicitations when use of the alternative is supported by findings and approved at a public hearing. ORS 279C.335, which is incorporated by reference into PCRB Rule 49-0620, outlines the process and necessary findings for the PCRB to justify an exemption. The local contract review board may exempt a public improvement contract or class of public improvement contracts and, as an alternative to the findings described in subsection (b), may make a finding that identifies the contract(s) as a pilot project when the agency has not previously used the alternate contracting method.
- h) Section 12.1 of Exhibit 1 to the Centennial contract authorizes the County, at the conclusion of two years of JOC operation, after an assessment of the JOC approach by all stakeholders and with the Board's consultation and explicit approval, to choose one of the following options:
 - 1. Extend JOC operations on MRO projects for FPM for one additional three-year term; or
 - 2. Extend JOC operations on FPM's MRO projects for one additional three-year term and exercise an option to initiate JOC processes in one or both of the two remaining areas (Weatherization or Transportation); or
 - 3. Terminate the JOC contract entirely.
- i) Section 12.2 of Exhibit 1 to the Centennial contract directs the programs using the JOC approach, at the end of the initial five-year Pilot Project period, to report to the Board on the history and their specific experience, and at that time recommend that the Board either:
 - 1. Continue the JOC process in one, two or three, or any combination thereof of the work areas, for a period of not more than five additional years, via one year options; or
 - 2. Terminate the JOC approach entirely.

The Multnomah County Board of Commissioners Resolves:

- 1) The Board approves extending the JOC pilot project operations for FPM's MOR work for one additional three-year term.
- 2) The Board approves exercising both options to expand the JOC pilot project by initiating JOC processes in the Department of County Human Services Weatherization Program and the Department of County Services Transportation Division.

- 3) The Board approves offering the Centennial contract to other Agencies interested in utilizing the cooperative language within the contract.
- 4) The Board directs DCA, DHS and DCS, at the end of the initial five-year Pilot Project period, to report to the Board on the history and their specific experience, and at that time recommend that the Board either:
 - a) Continue the JOC process in one, two or three, or any combination thereof of the work areas, for a period of not more than five additional years, via one year options; or
 - b) Terminate the JOC approach entirely.

ADOPTED this 7th day of June, 2018.



**BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON
ACTING AS THE PUBLIC CONTRACT
REVIEW BOARD**

Deborah Kafoury

Deborah Kafoury, Chair

REVIEWED:

**JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON**

By

Kenneth M. Elliott

Kenneth M. Elliott, Asst. County Attorney

**SUBMITTED BY: Marissa Madrigal, COO & DCM Director
 Sherry Swackhamer, DCA Director**