

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: General Services Agency

BOARD AGENDA:7.B.5
AGENDA DATE: December 20, 2022

SUBJECT:

Approval to Increase the Not-to-Exceed Amount with Champion Industrial Contractors' Job Order Contract from \$2 Million to \$4.5 Million for Year Two of the General Services Agency Job Order Contracting Program

BOARD ACTION AS FOLLOWS:

RESOLUTION NO. 2022-0701

On motion of Supervisor C. Condit Seconded by Supervisor B. Condit
and approved by the following vote,

Ayes: Supervisors: B. Condit, Chiesa, C. Condit, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: Grewal

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

ATTEST: Kelly Rodriguez
KELLY RODRIGUEZ, Assistant Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: General Services Agency

BOARD AGENDA:7.B.5
AGENDA DATE: December 20, 2022

CONSENT:

CEO CONCURRENCE: YES

4/5 Vote Required: No

SUBJECT:

Approval to Increase the Not-to-Exceed Amount with Champion Industrial Contractors' Job Order Contract from \$2 Million to \$4.5 Million for Year Two of the General Services Agency Job Order Contracting Program

STAFF RECOMMENDATION:

1. Approve an increase to the not-to-exceed amount with Champion Industrial Contractors' Job Order Contract from \$2 million to \$4.5 million for year two of the General Services Agency Job Order Contracting Program.
2. Authorize the General Services Agency Director/Purchasing Agent or designee to execute an Amendment to the Contract with Champion Industrial Contractors.

DISCUSSION:

On August 30, 2022, the Board of Supervisors approved six Job Order Contracts (JOC) for year two of the General Services Agency (GSA) JOC Program. Of these contracts four were awarded to general contractors, one to a roofing contractor, and one to Champion Industrial Contractors (Champion) for heating, ventilation and air conditioning (HVAC) repairs. Job Order Contracting is permissible under California Public Contract Code Section 20128.5, which allows counties to award contracts for replacement, repair, remodeling, and other routine work. Firms who participate in this program bid to fixed unit pricing for construction tasks.

The Public Contract Code allows a not-to-exceed amount of \$5,402,866 per contract. The Board of Supervisors approved an initial not-to-exceed amount of \$2 million for Champion's contract in year two of the GSA's JOC program.

On June 28, 2022, the Board of Supervisors approved proceeding with the repair and replacement of the Sheriff's Operation Center heating, ventilation, and air conditioning system. This system is original to the building and is over 20 years old and is needing constant repairs and maintenance. On November 29, 2022, the Board subsequently approved an updated project budget. Staff are recommending using Champion to complete this system repair/replacement utilizing the Job Order Contract.

To proceed, staff are requesting to increase the not-to-exceed amount in Champion's JOC Contract from \$2 million to \$4.5 million. If approved, this will allow Champion to complete this project, which has an estimated construction cost of \$2.4 million, along with other projects planned by GSA over the next year. Increasing the contract amount with Champion does not guarantee the County will proceed with the full not-to-exceed amount in the contract. Future projects with Champion will be funded by project budgets approved by the Board in previous actions or in future agenda items.

POLICY ISSUE:

The County's Purchasing and Salvage Policy authorizes the County Purchasing Agent to execute contracts whose value is \$200,000 or less. Agreements, including amendments, whose value exceeds this threshold require Board of Supervisors' approval, based upon California Government Code §25212, et seq, and §25502.5, et seq., which establishes the powers of the Board of Supervisors and the Purchasing Agent.

FISCAL IMPACT:

There is no additional fiscal impact requested with these recommended actions. The Board of Supervisors approved a project budget of \$2.7 million for repair/replacement of the Sheriff's Operation Center HVAC system on November 29, 2022. Future projects with Champion will be paid for using project budgets approved by the Board of Supervisors.

BOARD OF SUPERVISORS' PRIORITY:

The recommended actions are consistent with the Board's priorities of *Supporting a Strong and Safe Community, Delivering Efficient Public Services and Enhancing Community Infrastructure* by ensuring that County facilities are properly maintained, have modern and reliable mechanical infrastructure to ensure continuous operations and services are accessible to the citizens and employees of Stanislaus County.

STAFFING IMPACT:

There is no additional staffing impact associated with these recommendation actions.

CONTACT PERSON:

Dan Wirtz, GSA Director/Purchasing Agent
Andy Johnson, GSA Assistant Director

Telephone (209) 525-6139
Telephone (209) 525-4380

ATTACHMENT(S):

1. Amendment

**FIRST AMENDMENT TO
AGREEMENT BETWEEN STANISLAUS COUNTY AND CHAMPION INDUSTRIAL
CONTRACTORS, INC. FOR JOB ORDER CONTRACT 2022, HEATING,
VENTILATION AND AIR CONDITIONING, CONTRACT # 22-JOC HVAC-01**

This First Amendment (“First Amendment”) to the Agreement between Stanislaus County (“County”) and Champion Industrial Contractors, Inc. (“Contractor”) for Job Order Contract 2022, Heating, Ventilation and Air Conditioning, Contract # 22-JOC HVAC-01 (“Agreement”) is entered into as of December 20, 2022 (“Amendment Effective Date”). The County and Contractor shall be referred to collectively herein as “Parties,” and individually as a “Party.” Capitalized terms used but not defined in this First Amendment shall have the meanings assigned to them in the Agreement (defined below).

RECITALS

WHEREAS, pursuant to Public Contract Code Section 20128.5, after a competitive bid process, the Parties entered into that certain Agreement on August 30, 2022.

WHEREAS, the Parties wish to amend the Agreement to increase the Contract Annual Maximum from \$2,000,000 to \$4,500,000.

NOW, THEREFORE, the Parties agree as follows:

1. Paragraph 1.02 of the Agreement shall be deleted in its entirety and replaced with the following:

“1.02 Price for Completion of the Work

A. Contract Annual Maximum: This Contract is an indefinite-quantity contract for construction work and services. The Estimated Annual Maximum Contract Value is \$4,500,000.

The Contractor is not guaranteed to receive the Estimated Annual Maximum Contract Value. It is merely an estimate.”

2. Each Party represents to the other Party that this First Amendment is being executed by an authorized representative of that Party.

3. This First Amendment may be executed in counterparts, each of which shall be deemed to be an original, and all of such counterparts shall together constitute one executed original instrument. The counterparts of this First Amendment may be executed and delivered electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

4. Except as otherwise amended by this First Amendment, all of the terms and conditions of the Agreement shall remain in full force and effect. In the event of a conflict between any provision of the Agreement and a provision of this First Amendment, this First Amendment shall control.

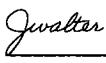
IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the Amendment Effective Date.

COUNTY OF STANISLAUS

By: 

Dan Wirtz, GSA Director/Project Manager

CHAMPION INDUSTRIAL
CONTRACTORS, INC.

By: 

John Walter, COO

APPROVED AS TO FORM:

STANISLAUS COUNTY COUNSEL
Thomas E. Boze

By: 

G. Michael Ziman, Deputy County Counsel