

Quality and Productivity Commission  
**29<sup>th</sup> Annual Productivity and Quality Awards Program**  
*Champions of Change: Together We Make a Difference*

**2015 APPLICATION**

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

**NAME OF PROJECT: Modernization "On Budget and On Time!"**

**DATE OF IMPLEMENTATION/ADOPTION:** 1/20/2011  
 (Must have been implemented at least one year - on or before July 1, 2014)

**PROJECT STATUS:**  Ongoing  One-time only

**HAS YOUR DEPARTMENT PREVIOUSLY SUBMITTED THIS PROJECT?**  Yes  No

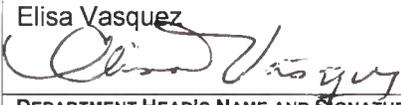
**EXECUTIVE SUMMARY:** Describe the project in 15 lines or less using Arial 12 point font. State clearly and concisely what difference the project has made.

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How did the Housing Authority of the County of Los Angeles (HACoLA) address deferred maintenance needs, modernization, vacant unit rehabilitation, and Americans with Disabilities Act (ADA) improvements with diminishing resources and funding constraints? We turned to Job Order Contracting, an innovative procurement tool that provides HACoLA a way to complete maintenance, renovation, and rehabilitation at its 68 public and affordable housing properties, easily and quickly. HACoLA can now procure for a contractor for a not to exceed amount contract, using a catalog of construction items offered at a discounted price. Following the normal procurement process, HACoLA had to wait 4-6 months before a vendor was secured to address these types of items. With JOC, work can get started in as little as 21 days! Further, since the implementation of JOC in 2011, HACoLA has saved millions in capital funding, which allows the agency to apply those funds to making additional site improvements.

(1) ACTUAL/ESTIMATED ANNUAL COST AVOIDANCE	(2) ACTUAL/ESTIMATED ANNUAL COST SAVINGS	(3) ACTUAL/ESTIMATED ANNUAL REVENUE	(1) + (2) + (3) = TOTAL ANNUAL ACTUAL/ESTIMATED BENEFIT	SERVICE ENHANCEMENT PROJECT
\$ 99,000	\$ 901,459	\$ 0	\$ 1,000,459	<input type="checkbox"/>

ANNUAL = 12 MONTHS ONLY

<b>SUBMITTING DEPARTMENT NAME AND COMPLETE ADDRESS</b> Housing Authority of the County of Los Angeles 700 W. Main Street Alhambra, CA 91801		<b>TELEPHONE NUMBER</b> 626-586-1900
<b>PROGRAM MANAGER'S NAME</b> Norma Clarke		<b>TELEPHONE NUMBER</b> 626-586-1904  <b>EMAIL</b> Norma.clarke@hacola.org
<b>PRODUCTIVITY MANAGER'S NAME AND SIGNATURE</b> (PLEASE CALL (213) 893-0322 IF YOU DO NOT KNOW YOUR PRODUCTIVITY MANAGER'S NAME) Elisa Vasquez 	<b>DATE</b> 7/9/15	<b>TELEPHONE NUMBER</b> 626-586-1762  <b>EMAIL</b> Elisa.vasquez@lacdc.org
<b>DEPARTMENT HEAD'S NAME AND SIGNATURE</b> Sean Rogan 	<b>DATE</b> 7/10/15	<b>TELEPHONE NUMBER</b> 626-586-1500

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**1<sup>st</sup> FACT SHEET – LIMITED TO 3 PAGES ONLY:** Describe the **Challenge, Solution, and Benefits** of the project. State clearly and concisely what difference the project has made. Use Arial 12 point font

**CHALLENGE** HACoLA's 3,229 public and affordable housing units are home to over 6,000 individuals. As the property owner, HACoLA has faced ongoing challenges of addressing ADA upgrades for accessibility and reasonable accommodations, exigent health and safety needs, curb appeal of the property, and maintenance of normal wear and tear of building systems to maintain its properties in a safe, decent, and sanitary manner. Following the normal procurement process, HACoLA had to wait 4-6 months before a vendor was secured to address these types of items. Additionally, with a growing waiting list, HACoLA made it a major priority to rehabilitate vacant housing units as quickly as possible to maintain an occupancy rate of 99%.

**SOLUTION** HACoLA turned to JOC, a cost-effective, unit price, contracting method used to effectively and efficiently accomplish maintenance, repair, refurbishment, and modernization projects, on budget and on time! JOC allows for multiple work orders to be processed under a single contract, thus reducing the administrative burden, while lowering direct construction costs, and complying with Federal, State, and County procurement requirements. JOC is a procurement tool that allows an agency to procure for a construction contractor, for a not to exceed limited amount, and is available at any time without the hindrance of procurement for work orders submitted for each project, until the contract's funding limit is reached. The contract is good for one year, to ensure competitiveness for future contractors, and to establish current wage determinations for County and Federal funds.

A catalog of line item tasks is used to procure for a general contractor. The contractor bids a factor (percentage) of what it would charge for the prices in the catalog. This factor is used during the sealed bid process to determine the lowest bidder. The contract amount for construction is determined by the agency's needs and budget. The program has saved the agency funds that are then used to fund other future projects and do "more with less." With procurement delays no longer in place, HACoLA is able to rehabilitate vacant units immediately, including cases of fire loss, plumbing leaks, or roof repairs for units that are also remediated within 30 days. With JOC, work can get started in as little as 21 days! This quick turnaround allows HACoLA to house individuals faster.

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**BENEFITS** JOC has helped HACoLA maintain a 99% occupancy rate, by rehabbing vacant units in under 30 days. JOC has also allowed for a paperless filing system, since all the documents are scanned, making it more efficient for electronic approvals, invoicing, tracking, inspections, and labor compliance records. This technology has improved the administrative burden of filing and having the need for file cabinets.

Further, HACoLA's cost savings has allowed the agency to complete additional improvements on its developments. One of many examples of cost savings is the Orchard Arms Development roof project. Originally, the cool roof project went to bid on July 23, 2012. The lowest bid received was \$1,084,017. Due to the exorbitant cost, and lack of funding, the project was cancelled. In October 2012, a JOC proposal to accomplish the same roof project came in at \$829,601.81, a cost savings of 23.5%. The project was completed within four months and had no change orders or delays.

More importantly, the JOC program also benefited HACoLA residents through improved ADA access and the prompt completion of emergency rehabilitation projects.

ADA

When reasonable accommodations are requested, HACoLA is able to complete unit flooring, handrails, install ramps, and accessible push-button doors in two-four weeks. Previously, the procurement process would have taken three-four months.

Vacant Unit Rehabilitation/Emergencies/Energy Efficiency

Fire damaged and vacant units in need of rehabilitation would have taken up to six months to complete under the procurement process. Under JOC, HACoLA completed the rehabilitation and was able to lease these units in under two months.

HACoLA has also used JOC to implement energy conservation measures such as solar photovoltaic and water conservation measures quickly, without waiting for the procurement process to realize consumption and cost savings sooner.

The "Green Community" at the Nueva Maravilla Public Housing Development is an example of an extensive energy conservation project HACoLA implemented using JOC. The project included the installation of a 300kw solar system, tankless water heaters, energy efficient lighting, cool roofs, and drought-tolerant plants. Through the efficiency of JOC, all these energy conservation projects were completed in only one year. HACoLA received the NAHRO Award of Excellence, NACo's Achievement Award, and the County of Los Angeles' Green Leadership award for innovation and energy conservation measures for this project.

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**3<sup>RD</sup> FACT SHEET**

Not Applicable. HACoLA is not a County Department.

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**COST AVOIDANCE, COST SAVINGS, AND REVENUE GENERATED (ESTIMATED BENEFIT):** If you are claiming cost benefits, include a calculation on this page. You must include an explanation of the County cost savings, cost avoidance or new revenue that matches the numbers in the box. Remember to keep your supporting documentation. Use Arial 12 point font

**Cost Avoidance:** Costs that are eliminated or not incurred as a result of program outcomes.

**Cost Savings:** A reduction or lessening of expenditures as a result of program outcomes.

**Revenue:** Increases in existing revenue streams or new revenue sources to the County as a result of program outcomes.

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Annual Cost Avoidance:

Personnel Cost of One Procurement Coordinator During Project Bidding  
 Average of 50 staff hours @ \$45.00/hr ..... \$2,250

Number of JOC Projects Conducted in 2014.....44

Cost Avoidance for 2014 (\$2,250 X 44).....**\$99,000**

Annual Cost Savings:

Estimated Completion Cost of 44 Projects .....\$8,265,295

Actual Completion Cost .....\$7,363,836

Cost Savings..... **\$901,459**

**Total Benefit: .....\$1,000,459**