

## **CITY COUNCIL AGENDA MEMORANDUM**

### **SUBJECT**

Resolution No. 9008 authorizing the execution of a professional services agreement with The Gordian Group to provide consulting services that support the City's Job Order Contracting (JOC) program.

### **FISCAL IMPACT**

All construction projects intended for completion under the JOC program is fully funded through existing CIP and department budgets as approved by Council with funds appropriated in the 2015-2016 Budget.

This proposed five-year agreement with The Gordian Group (TGG) has an estimated expenditure of \$175,000 per year. Fees paid to TGG are incorporated into the total project costs. Expenditures will be monitored by department staff and services will not be requested from the consultant unless sufficient funds are available to cover the services.

All JOC contractors shall be assessed a Contractor License Fee of one percent (1.00%) of the value of work awarded to the JOC contractors by the City. The Contractor License Fee shall be direct billed by TGG upon the issuance of a Job Order, purchase order, or similar purchasing document by the City to the JOC contractor, and shall only be assessed on JOC contracts awarded by the City on or after the date of commencement of this agreement. City is not responsible for collecting this license fee from JOC contractors nor is City liable to Gordian for any failure of JOC contractors to pay said license fees.

### **STAFF CONTACT**

Jan Hawn, Finance Director, 6846  
Toni Battersby, Acting Assistant Finance Director, 7247  
Jamie Robinson, Procurement Services Manager, 6843  
*Finance Department*

### **POLICY CONSIDERATION**

Bellevue City Code:

BCC 4.28.100 Alternative Public Works Contracting authorizes the Finance Director to recommend use of a job order contract as an alternative method to procure public works projects as authorized by RCW 39.10.

Bellevue Contracting Policy (effective January 1, 2015) – Section 5.1 Duration - Professional and General Service contracts may have a duration of any combination of years but shall not exceed five years without approval as an exception.

### **BACKGROUND**

A city-wide Job Order Contracting program provides the City with a means to quickly, and efficiently accomplish small and simple construction projects in a more cost-effective manner based upon a pre-set cost as determined through a unit price book. Job Order Contracting is an alternative contracting method to the traditional design-bid-build method as authorized by state law.

### **Job Order Contracting – Consulting Services**

The Gordian Group (TGG) provides oversight and review by a professional consultant that is an

expert in Job Order Contracting. The consultant is responsible for training the City and its JOC contractors on the program and the software, providing contractor community outreach, attending job walks, helping to develop the scope of work with the contractor, overseeing the project review, entering the project into the software, reviewing and negotiating the cost with the contractor.

Additionally, the contract includes licensing fees for a TGG proprietary software system, a market analysis of current construction rates and the development of a unit price book of construction tasks specifically developed for the City.

The Gordian Group offers two pricing options: (1) standard 1.95% of the project cost for the basic consulting and software licensing fees; or (2) an optional 5% of project costs for the JOC Complete Solution. The JOC Complete Solution will provide additional oversight of project review and more hands-on customer service provided by the consultant. Option 1 is typically used by experienced JOC project managers while Option 2 is used by new project managers that may need additional assistance with managing these types of projects.

### **Selection Method**

In 2009, the City selected TGG as a result of an RFP process (RFP #9241). The City received only one response to the RFP that was from TGG. For this contract term, it was determined that no other consultant provides the services and software provided by TGG. Therefore, on September 17 and 24, 2015, the City issued and advertised a Notice of Intent to Contract (NOI #15115) in the paper of record to determine if there are other consultants that can provide similar services and software. Upon receiving no responses to the NOI, the City is recommending award of a five-year agreement to The Gordian Group for their continued service in supporting the City's JOC program.

### **EFFECTIVE DATE**

If approved, this Resolution becomes effective immediately upon Council adoption.

### **OPTIONS**

1. Approve the Resolution authorizing the execution of a professional services agreement with The Gordian Group to provide consulting services that support the City's Job Order Contracting (JOC) program.
2. Do not approve the Resolution and provide alternative direction to staff.

### **RECOMMENDATION**

Option 1.

### **MOTION**

Move to Approve Resolution No. 9008 authorizing the execution of a professional services agreement with The Gordian Group to provide consulting services that support the City's Job Order Contracting (JOC) program.

### **ATTACHMENT**

Proposed Resolution No. 9008

### **AVAILABLE IN COUNCIL DOCUMENT LIBRARY**

- NOI #15115: Job Order Contracting for Consulting Contract
- Draft Professional Services Agreement with The Gordian Group