

CITY COUNCIL REGULAR SESSION

Resolution authorizing execution of a Job Order Contract (JOC) agreement with Centennial Contractors Enterprises, Inc. for an initial term of two years with an option to renew for one year, in an amount not to exceed annually \$4,000,000, plus applicable taxes.

Toni Call, Director, 452-7863

Jamie Robinson, Assistant Director, 452-6843

Finance

EXECUTIVE SUMMARY

This JOC will be executed to two separate contractors and will obligate the city to a total minimum contract value of \$50,000, with a maximum contract value of \$4,000,000 per year for two years, as set by state statute limits.

RECOMMENDATION

Move to adopt Resolution No. 9470.

If approved, effective date: 09/17/2018

BACKGROUND/ANALYSIS

RCW 39.10 authorizes cities with a population greater than seventy thousand to use a JOC for public works projects when a determination is made that the use of JOCs will benefit the public by providing an effective means of reducing costs in public works construction projects for repair and renovation at public facilities. At least 90 percent of work contained in a JOC must be subcontracted to entities other than the job order contractor. The job order contractor must distribute contracts as equitably as possible among qualified and available subcontractors including minority and woman-owned subcontractors to the extent permitted by law.

The City initiated its JOC program in 2010. Staff has experienced time and cost savings associated with this program as a result of the streamlined nature of the JOC program. Since August 2010, the City has spent \$15.9 million and completed 388 projects with an average cost of \$66,538 per project.

The City issued Request for Proposals (RFP) #18068 JOC services on May 15. Two proposals were received by the deadline on June 12. The proposals were scored by the selection panel in accordance with the published evaluation criteria. Both firms were invited for interviews and then submitted their sealed adjustment factor rates at a public opening. Centennial Contractors Enterprises, Inc. scored in second place due to their adjustment rate of 1.36.

POLICY & FISCAL IMPACTSPolicy Impacts:

Bellevue City Code 4.28.040 (2): Council approval is required for contracts greater than \$90,000.

Bellevue City Code 4.28.100: Notwithstanding any other provision of this chapter, when a determination is made by the applicable department director in conjunction with the finance director or his/her

designee that use of a job order contract, design-build procedure, or general contractor/construction manager contract will benefit the public, public works projects may be done pursuant to these contracting procedures, as authorized by Chapter 39.10 RCW and subject to the definitions and limitations of that statute as now adopted or hereafter amended.

Fiscal Impacts:

Services under this contract supports projects or programs already approved by council with funds included in the 2018 Operating Budget. Funding for 2019-2021 will be requested in future budgets.

The 2018 budget amounts for these services is approximately \$350,000 per year, plus all applicable taxes. Total expenditures will be monitored by contract managers and services will not be requested from the vendor unless funds are available to cover the services.

OPTIONS

1. Adopt the Resolution authorizing execution of a Job Order Contract (JOC) agreement with Centennial Contractors Enterprises, Inc. for an initial term of two years with an option to renew for one year, in an amount not to exceed annually \$4,000,000, plus applicable taxes.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

Proposed Resolution No. 9470

AVAILABLE IN COUNCIL LIBRARY

Agreement with Centennial Contractors Enterprises, Inc.