

CITY COUNCIL REGULAR SESSION

Resolution authorizing execution of a five-year professional services agreement with The Gordian Group to provide consulting services that support the City's Job Order Contracting program, for a total amount not to exceed \$875,000, plus all applicable taxes.

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Finance & Asset Management Department

EXECUTIVE SUMMARY

The Gordian Group provides professional services to support the Job Order Contracting program which provides departments with a means to accomplish small and simple construction projects quickly and efficiently in a cost-effective manner.

RECOMMENDATION

Move to adopt Resolution No. 9986

BACKGROUND/ANALYSIS

A City-wide Job Order Contracting (JOC) program provides the City with a means to accomplish small and simple construction projects quickly and efficiently based upon a pre-set cost determined through a unit price book. JOC is an alternative contracting method that is more cost effective for this type of work compared to the traditional design-bid-build method. The JOC program is widely used across several City departments, benefitting Parks and Community Services, Finance and Asset Management, Transportation and Utility projects. Over the last five years, the JOC program provided services for around 110 City projects with a total spend of approximately \$17 million.

Job Order Contracting – Consulting Services

The City established its JOC program in 2009 and since that time it has retained (through a series of professional service agreements) a consultant that is an expert in JOC to coordinate and oversee the contractors who perform work under the program. In this capacity, the consultant is responsible for training the City and its JOC contractors on the program and its 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 consultant's software, and reviewing and negotiating the cost with the contractor. Since the inception of the JOC program, these consulting services have been provided by The Gordian Group (TGG).

Selection Method for New Professional Services Agreement

The City issued a Request for Proposals (RFP) to replace the existing professional services agreement that expires this year. Two proposals were received in response to the RFP. These proposals were scored based on the evaluation criteria listed in the RFP, and TGG's proposal was identified as having the highest score.

Pricing

Consistent with the City's previous professional services agreements for these services, TGG's proposal offers two pricing options for each JOC project: (1) standard 1.95 percent of the project cost for the basic consulting and software licensing fees; or (2) an optional 5 percent 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 the City's project managers who have experience with JOC projects while Option 2 is used by new project managers that may need additional assistance with managing these types of projects. There are also optional construction cost estimating services available for an hourly rate (currently \$130 per hour) and price proposal review services for a fee of 1 percent of the value of the job order.

POLICY & FISCAL IMPACTS

Policy Impact

Bellevue City Code 4.28.100: Alternative Public Works Contracting authorizes the Finance & Asset Management 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.

Fiscal Impact

The proposed five-year agreement with 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 construction projects intended for completion under the JOC program are fully funded through existing CIP and department budgets as approved by Council with funds appropriated in the 2021-2022 Adopted Budget. Future funding will be requested in subsequent budget processes.

All JOC contractors shall be assessed a Contractor License Fee of 1 percent 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. The City is not responsible for collecting this license fee from JOC contractors nor is the City liable to Gordian for any failure of JOC contractors to pay said license fees.

OPTIONS

1. Adopt the Resolution authorizing execution of a five-year professional services agreement with The Gordian Group to provide consulting services that support the City's Job Order Contracting program, for a total amount not to exceed \$875,000, plus all applicable taxes.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

Proposed Resolution No. 9986

AVAILABLE IN COUNCIL LIBRARY

Contract