



City Council Report

Date: July 8, 2020
To: City Council
Through: Kari Kent, Assistant City Manager
From: Beth Huning, City Engineer
Rob Kidder, Assistant City Engineer
Subject: Job Order Master Contract
Water and Wastewater Reclamation Plant Facilities
City Project No. JOC-W20
Citywide

Purpose and Recommendation

The purpose of this report is to provide information to the Council on the selection of two contractors to fulfill Job Order Master Contracts for Water and Wastewater Reclamation Plant Facility Construction Services. These services will include minor construction improvements related to Water and Wastewater plants, systems and related infrastructure improvements throughout the City.

Staff recommends that Council approve the selection of Garney Construction, Inc., and Archer Western Construction, LLC, for Job Order Master Contracts for Water and Wastewater Construction Services for a period of one full year, with the option to extend the contract for two additional one-year option periods based on successful contractor performance and City concurrence. These two master contracts allow for the issuance of multiple individual job orders that may be issued with a limit of \$1,500,000 per job order and a total contract value not to exceed \$5,000,000 per year for each contract.

These two companies were selected based on their qualifications, their track record of providing construction services, and having adequate resources to complete projects for the City.

Background

The JOC method of procuring construction services is authorized by Title 34 of the Arizona Revised Statutes as an alternative to the traditional design-bid-build procurement method. JOC allows the City to select a contractor on an “on-call” basis for construction projects utilizing a “best value” approach based on the company’s demonstrated qualifications to perform the type of work required.

The JOC program utilizes a collaborative team approach and is an extremely efficient way of getting small, less complex, and commonly encountered construction projects completed quicker, with higher quality of work than that of projects using the traditional design-bid-build method. The total overall project costs are also typically less than the traditional design-bid-build methods.

Discussion

In April 2020, Staff received five (5) Statements of Qualifications (SOQ) from potential contractors that were interested in the JOC for Water and Water Reclamation Plant Facilities Construction Services. Based on an evaluation of their Statements of Qualifications; Garney Construction, Inc., and Archer Western Construction, LLC, were selected as the top ranked firms. The following is a synopsis of each firm's background and experience:

- a) Garney Construction, Inc., was incorporated in Missouri in 1961 and has been operating in Arizona for 22 years with their principal office located in Mesa. They are a General Engineering construction firm with nearly 60 years of experience in the construction of water and wastewater treatment facilities and related infrastructure, supporting Municipalities such as City of Phoenix, City of Mesa and City of Chandler.
- b) Archer Western Construction, LLC, is a member of The Walsh Group, a 122-year old family-owned, fourth generation business providing general contracting, construction management, and collaborative delivery services. They established their Arizona regional office in 1999 and have been providing construction services to the Southwest area including Mesa, Gilbert, Phoenix, Tolleson, Goodyear, Chandler, Scottsdale, and Surprise.

Both firms will work to develop a collaborative relationship with the City of Mesa to meet current and future construction needs, provide emergency services, and develop resources using local Mesa sub-contractors and suppliers. Staff will prepare master contracts and negotiate the contractor's allowable overhead for Water and Water Reclamation Plant Facilities Construction Services to ensure both quality and price are being included in the work assigned to them under this JOC Master Contract.

Alternatives

An alternative to the approval of the Job Order Contract (JOC) for Water and Water Reclamation Plant Facilities Construction Services would be to use the traditional design-bid-build method. Using design-bid-build for every project, particularly when it comes to the smaller projects, can become impractical and costly over time. The common occurrences of unbalanced bids, construction delays, cost over-runs, and quality disputes are significantly reduced using the JOC method. In many cases the design can be reduced or eliminated saving both time and money, allowing projects to be completed months quicker than the traditional design-bid-build method.

Fiscal Impact

Job Order Contracting typically decreases up front design, procurement and administrative costs as there will be no need prepare formal bid documents and construction documents can often be simplified when using a JOC contract. This

allows for more of the available funding to be allocated towards the actual construction portion of the project work. In addition, because of the upfront Contractor involvement in providing input and assistance with scoping, scheduling, budget, and constructability issues, change orders are significantly reduced and/or altogether eliminated.

Coordinated With

Water Resources concurs with this recommendation.