

# **City Council Report**

**Date**: July 1, 2025

To: City Council

Through: Marc Heirshberg, Assistant City Manager

From: Lance Webb, City Engineer Marc Ahlstrom, Assistant City Engineer

Subject: Job Order Master Contracts Pool Construction Services City Project No. JOC-PL25 Citywide

### Purpose and Recommendation

The purpose of this report is to provide information to the Council on the selection of three Job Order Master Contracts (JOC) for Pool Construction Services. These services will include new construction, renovations, repairs, additions, demolition, and upgrades for pools, aquatic features, and/or related buildings and facilities.

Staff recommends that Council approve the selection of Landmark Aquatic Services, LLC, Shasta Industries, Inc., and Sun Eagle Corporation for Job Order Master Contracts for Pool Construction Services for a period of three full years, with two optional one-year extensions of the contracts based on successful contractor performance and City concurrence. These three master contracts allow for the issuance of multiple individual job orders with an approved upper limit of \$4,000,000 per job order, or as otherwise approved by council.

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

# Background

The job order contracting 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. Job order contracting allows the city to select pre-qualified contractors for construction projects utilizing a "best value" approach based on the company's demonstrated qualifications to perform the type of work required.

Job order contracting is an efficient way of completing small, less complex, and commonly encountered construction projects in less time with a higher quality of work.

# Discussion

For past projects the City has contracted with a general contractor to perform pool construction services using DBB, JOC, and City of Scottsdale's cooperative JOC contract for pool services, which expires in August 2025. In April 2025, staff received three (3) Statements of Qualifications (SOQ) from potential contractors that were interested in the JOC for Pool Construction Services. Based on an evaluation of their Statements of Qualifications, Landmark Aquatic Services, LLC, Shasta Industries, Inc., and Sun Eagle Corporation were selected as firms meeting qualifications to provide pool construction services. Due to potential workload and being subject to Scottsdale's contract terms and conditions, it is recommended to move forward with master contracts with these selected firms.

In addition to establishing acceptable fees, rates, and expectations for construction services, the JOC may be required to competitively bid portions of the work to multiple subcontractors. Staff will ensure that Mesa-based businesses are given an opportunity to bid on the work. Master contracts for Pool Construction Services will be created to ensure both quality and price are included in the work assigned under these Job Order Master Contracts.

#### Alternatives

Alternatives to the approval of the Job Order Contract (JOC) for Pool Construction Services would be to use traditional design-bid-build (DBB), an existing General Building JOC Contractor, or use City of Scottsdale's cooperative JOC contract. Common risks using DBB including unbalanced bids, construction delays, cost overruns, and quality disputes are often reduced using the JOC method. Using a dedicated pool JOC instead of our General Building JOC provides some cost, schedule, and design benefits. Reliance on our own contract terms and conditions provides less dependence on a separate agencies cooperative contract.

#### **Fiscal Impact**

Job Order Contracting typically decreases up-front design, procurement and administrative costs as there may be no need to prepare formal bid documents and drawings can often be simplified when using a JOC contractor. This allows more of the available funding to be allocated towards the actual construction portion of the project. In addition, because of the upfront Contractor involvement in providing input and assistance with scoping, scheduling, budget, and constructability issues, change orders are reduced and/or altogether eliminated.

#### **Coordinated With**

The Parks, Recreation and Community Facilities Department concurs with this recommendation.