



Legislation Text

File #: 19-219, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of change order #1 to the third two-year extension to Contract 11-082, Job Order Contracting, to F.H. Paschen for an additional seven months

DEPARTMENT: Finance Department

SUBMITTED BY: Rachel Mayer, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

Job order contracting (JOC) provides an alternative vehicle for procurement and award of construction service contracts and work. JOC has proven to be a low cost, efficient and effective solution for multiple trade projects. The contract is used by the City's operating departments (Department of Public Works, Electric Utility, Water Utilities and TED Business Group) for construction work. This contract was solicited as a cooperative purchase agreement to allow Naperville Community Unit School District 203, Indian Prairie School District 204 and the Naperville Park District, as well as other agencies located within the six-county area and State of Illinois to use the services of the City's JOC contractor.

The original contract was approved by the City Council on June 7, 2011, for a two-year term from June 8, 2011 thru June 7, 2013, with three, two-year options to extend the contract. The first, second and third extensions were approved by City Council on May 17, 2013, June 2, 2015 and May 2, 2017, respectively. The contract is set to expire on June 7, 2019.

DISCUSSION:

The Procurement Team intended to conduct a Request for Proposals (RFP) in early 2019 so a new JOC contract would be in place prior to the end of the existing contract. In early 2019, the Procurement Team received more requests for formal procurements (bids and RFPs) from departments than typically submitted in the first quarter of the fiscal year. In addition, the Procurement Team had one procurement officer vacancy. The procurement manager evaluated the workload and decided priority should be given to construction bids, and other high-priority projects, from operating departments with intention of trying to also complete the remaining procurements as time permitted.

The JOC contract ends on June 6, 2019. Staff requests an additional seven months to complete the RFP, which results in a new contract expiration date of December 31, 2019. The selection process for this procurement is more involved than a typical procurement. It is anticipated the selection process

will take six months with an award presented to City Council in late fall 2019.

The third and final extension to the JOC contract was awarded for an amount not to exceed \$2,000,000 over the two-year period. Additional funds have not been requested as part of the change order to extend the contract duration because there are sufficient funds remaining from the award for the additional seven-month period.

During 2018, the City utilized the JOC contract for fourteen projects with awards ranging from \$4,000 to \$185,000. During the same timeframe, outside agencies have utilized the cooperative JOC services for 40 projects at an estimated value of \$1.95 million.

FISCAL IMPACT:

CIP #: N/A

Funding for the job order contract comes from various accounts budgeted for construction work in 2019. No additional expenditures or budget increases are proposed. The contract was for an amount not to exceed \$2 million and does not require the City provide a minimum amount of work to the contractor. The City receives one-percent rebate of all cooperative contract work.

Account Number	Fund Description	Total Budget Amount
1100-480101	General Fund	\$60,000