

Project title: Authorize the Mayor to sign Job Order Contract Amendment No 1 to Contract #2018-022 for General Construction Services to Forma Construction and Burton Construction Inc.

Council Bill #

Consideration: Amendment No 1 Job Order Contract between Forma Construction and Burton Construction Inc.

Agenda dates requested:

September 18, 2019

Project: Job Order Task Orders

Partner/Supplier : Forma Construction and Burton Construction

Location:

Briefing

Proposed action

Consent

Action

Ordinance

Public hearing

Yes No

Preceding action: Council Award of Request for Proposal #2018-022 on November 14, 2018

Fund: Various

Budget amendment:

Yes No

Fiscal summary statement:

On July 28, 2019, legislation changed the statute, which previously limited job order- task orders from a maximum of \$350,000 to \$500,000 per project, excluding Washington state sales and use tax. While statute limits the maximum contract value to \$4 million per year, it was amended to allow any unused capacity from previous years to be carried over to the following year, as long as the maximum annual volume including unused capacity does not exceed the limit of two years.

PowerPoint presentation:

Yes No

Project summary statement:

RCW 39.10.420 authorizes the City to establish Job Order Contracting (JOC) as means to reduce the total lead-time and cost for construction of public works projects for repair and renovation at public facilities. JOC uses a competitive process to select general contractor(s) to oversee the completion of projects using established unit pricing. JOC is one of many construction delivery methods available to internal departments. Job Order Contracting allows departments to save on engineering design costs because they do not have to develop a complete set of plans and specifications or provide project management during the construction phase. The JOC contractors also provide value-engineering services in which the contractor can provide alternate construction methods, which can save money up front. The ability for the project manager to speak directly with the contractor during project development allows the contractor to suggest better means and methods than may have been previously considered. The collaborative approach is not available in a small works roster or design-bid-build process.

Attachments:

Amendment #1 to Contract #2018-022

Department(s) involved:

Purchasing

Contact person:

Theresa Bauccio-Teschlog

Phone number:

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Email:

tbauccio@everettwa.gov

Initialed by:

Department head

Administration

Council President

Recommendation (exact action requested of Council):

Authorize the Mayor to sign Job Order Contract Amendment No 1 to RFP #2018-022 for General Construction Services to Forma Construction and Burton Construction Inc.

**AMENDMENT NO. 1
JOB ORDER CONTRACT
BETWEEN THE CITY OF EVERETT
AND FORMA CONSTRUCTION**

This Amendment No. 1 is dated for reference purposes July 28, 2019. It is by and between the City of Everett, a municipal corporation under the laws of the State of Washington ("**City**") and Forma Construction ("**Contractor**").

RECITALS

A. The City and Contractor are parties to the Job Order Contract dated November 20, 2018 (the "**Contract**").

B. The City and the Contractor desire to amend the Contract for the purpose of updating the Contract in light of revisions made to the job order contracting statute (RCW 39.10.420 through .460) by the Washington State Legislature during the 2019 Regular Session (as so revised, the "**Revised Statute**"). The effective date of the Revised Statute is July 28, 2019 (the "**Revised Statute Effective Date**").

CONTRACT

The City and Contractor agree as follows:

1. Section 4.2 of the Contract is revised as follows, adding the boldface sentences:

The Contract is an indefinite-quantity contract for general construction work and services. The Minimum Contract Value of Job Orders that the Contractor is guaranteed the opportunity to perform under this Contract is Twenty-Five Thousand and 00/100 US Dollars (\$25,000.00). The Estimated Annual Value is Three Million and 00/100 US Dollars (\$3,000,000.00) for the City's Job Order Contracting Program. The City reserves the right to issue up to the maximum amount specified in RCW 39.10.40 of Four Million and 00/100 US Dollars (\$4,000,000.00) per year or such greater amount that may be authorized by statute. The Maximum Contract Value shall not exceed the value set forth in the RCW. **As provided by statute, any unused capacity from the previous year may be carried over for one year and added to the immediate following year's limit. The maximum annual volume including unused capacity shall not exceed the limit of two years. The maximum total dollar amounts are exclusive of Washington state sales and use tax.**

2. Section 19.2 of General Conditions of the Contract is revised as follows, deleting the ~~strikeout~~ text and adding the underlined text:

The maximum dollar amount for an individual Job Order is three five hundred fifty thousand dollars (\$3550,000) pretax, excluding Washington state sales and use tax. All Job Orders for the same project (original plus any Supplemental Job Orders) shall be treated as a single Job Order for the

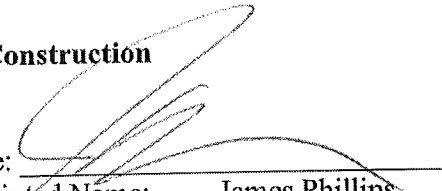
purpose of the \$350500,000 limit. A Job Order issued for a particular project may not exceed \$350500,000 excluding sales tax and Gordian fees. As required by RCW 39.10.450(3), no more than twenty percent of the dollar value of a Job Order may consist of items of work not contained in the unit price book. As required by RCW 39.10.450(4), ~~any new permanent, enclosed building space constructed under a Job Order shall not exceed two thousand gross square feet~~ any new stand-alone permanent structure constructed under a Job Order shall not exceed three thousand gross square feet.

3. To the extent that any other revisions to the Contract are necessary for consistency with the Revised Statute, the parties agree that those Contract revisions are deemed made by this Amendment.
4. Regardless of the date that this Amendment is signed by the parties, the parties agree that the revisions to the Contract under this Amendment are deemed effective on the Revised Statute Effective Date.
5. All provisions in the Contract shall remain in effect except as expressly modified by this Amendment.

**CITY OF EVERETT
WASHINGTON**

Forma Construction

By: _____
Cassie Franklin, Mayor

Signature: 
Typed/Printed Name: James Phillips
Title: President

Date

8/27/19
Date

ATTEST:

APPROVED AS TO FORM:

Sharon Fuller, City Clerk
Date: _____

David C. Hall, City Attorney
Date: _____