

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Engineering and Construction Management

AGENDA DATE: October 12, 2010

CONTACT PERSON NAME AND PHONE NUMBER: R. Alan Shubert, P.E., City Engineer X4423

DISTRICT(S) AFFECTED: All

SUBJECT:

That the City Council authorizes the City Manager to enter into a contract for minor construction, repair, rehabilitation or alteration of city owned facilities with Basic IDIQ, Inc., a Texas Corporation, and Rayco Construction, Inc., a Texas Corporation, each in the amount not to exceed one million five hundred and no/100 dollars (\$1,500,000.00) over a two year period. This is a "job order contract" as allowed pursuant to Texas Local Government Code Section 271.120. Basic IDIQ, Inc. and Rayco Construction, Inc. competitively bid for job order contracting services and were selected by the Harris County Department of Education. The Contractor is entitled to perform only the work issued by individual project work orders.

BACKGROUND / DISCUSSION:

These contracts will be used for minor construction, repair, rehabilitation or alteration of city owned facilities. The contracts will enable City staff to respond quickly to needs and repairs on city facilities.

PRIOR COUNCIL ACTION:

On August 18, 2010, City Council approved an Interlocal Agreement and Resolution authorizing the City Manager to sign the Harris County Department of Education Municipality Master Service Interlocal Contract in order to participate in their cooperative purchasing program.

AMOUNT AND SOURCE OF FUNDING:

Maximum amount of \$1,500,000.00 each to Basic IDIQ, Inc. and Rayco Construction, Inc. Various funding sources from capital projects will fund work orders.

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:



(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO

That the City Council authorizes the City Manager to enter into a contract for minor construction, repair, rehabilitation or alteration of city owned facilities with Basic IDIQ, Inc., a Texas Corporation, in the amount not to exceed one million five hundred and no/100 dollars (\$1,500,000.00) over a two year period. This is a "job order contract" as allowed pursuant to Texas Local Government Code Section 271.120. Basic IDIQ, Inc. competitively bid for job order contracting services and was selected by the Harris County Department of Education. The Contractor is entitled to perform only the work issued by individual project work orders.

ADOPTED THIS _____ DAY OF _____, 2010.

THE CITY OF EL PASO:

John F. Cook, Mayor

ATTEST:

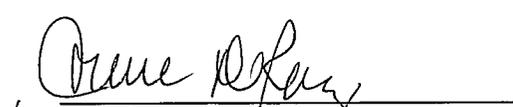
Richarda Duffy Momsen, City Clerk

APPROVED AS TO FORM:



Mark Shoesmith
Assistant City Attorney

APPROVED AS TO CONTENT:



for R. Alan Shubert, P.E.
City Engineer

Dedicated to Outstanding Customer Service for a Better Community

S E R V I C E S O L U T I O N S S U C C E S S

ENGINEERING AND CONSTRUCTION MANAGEMENT DEPARTMENT

October 11, 2010

TO: The Honorable Mayor & City Council
Joyce Wilson, City Manager
David R. Almonte, Deputy City Manager

FROM: R. Alan Shubert, City Engineering

**SUBJECT: AGENDA ITEMS 12B&C, COUNCIL MEETING OF
OCTOBER 12, 2010.**

The Engineering & Construction Management Department requests the authority of the City Manger to enter into a contract for the minor construction, repair, rehabilitation or alteration of City owned facilities with Basic IDIQ, Inc. and Rayco Construction, Inc. These are "job order contracts" that provide the City of El Paso the necessary capacity to address emergency and non-emergency repairs or alterations expediently and on an as needed basis only.

Job Order Contracts are an alternative procurement method authorized by Texas Local Government Code Section 271.120 allowing municipalities to contract with general contractors participating in an approved Cooperative Purchasing Program. On August 18, 2009, the El Paso City Council approved the Cooperative Purchasing Program of the Harris County Department of Education *Municipality Master Service Interlocal Contract*. This provides a program consistent with Texas standards and maximizes the resources available to carry out the required work.

Both recommended contractors competitively bid for job order contracting services and were selected by the Harris County Department of Education. The requested contracts provide the City of El Paso the ability to respond to the wide range of repair, renovation and maintenance work of City facilities (this includes roofing, facility lighting, ADA compliance improvements and minor site work). The contract values will not exceed \$1.5 million over a two-year period for each selected contractor. The funding source of these contracts includes both capital and operating budget funds. Upon City Council approval of these contracts, the selected contractors are only entitled to perform work issued by an individual project work order by the Engineering & Construction Management Department. These individual project work orders will support existing projects authorized by the City Council.



Mayor
John F. Cook

City Council

District 1
Ann Morgan Lilly

District 2
Susie Byrd

District 3
Emma Acosta

District 4
Carl L. Robinson

District 5
Rachel Quintana

District 6
Eddie Holguin Jr.

District 7
Steve Ortega

District 8
Beto O'Rourke

City Manager
Joyce A. Wilson

The City's recent benefits from utilizing job order contracts were proven in an award to Basic IDIQ, Inc. and Rayco Construction, Inc. on October 6, 2009 on contract 2010-122; these job order contracts were effective and more cost-efficient for the minor repair, construction, and demolition of properties in the City's Neighborhood Stabilization Program. Additionally, a Job Order Contractor was instrumental in addressing and completing roof, restroom and walkway improvements required in the El Paso Zoo, demonstrating the measured successes of this procurement method.



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Agenda Items 12B & C

MINOR CONSTRUCTION, REPAIR, REHABILITATION OR ALTERATION OF CITY OWNED FACILITIES

(JOB ORDER CONTRACT)

PROCUREMENT

October 12, 2010



Background

- Job Order Contracts (J.O.C.'s) procurement method authorized by State Law
 - Allows local governments to contract with general contractors for minor repair, construction, and maintenance of existing facilities
 - Must operate under a Cooperative Purchasing Program
 - COEP utilizes Harris County's Municipality Master Service Interlocal Contract
 - Approved by City Council on August 18, 2009
 - Consistent with Texas standards & maximizes available community resources



Benefits

- Selected contractors have local offices and utilize local subcontractors for various job tasks requested under the contract
- More expedient bidding process and is utilized on an as needed basis only
- Cost savings from bidding this type of work
 - Specific work tasks can be ordered under fixed prices set in the contract (based on RS Means); as opposed to bidding each work task separately under traditional methods
- Contracts are performance based
- Allows the City to do specialized projects that are difficult to bid locally



City history of using Job Order Contracts

- Repair, rehabilitation, and demolition of twelve homes for the City's Neighborhood Stabilization Program (Contract 2010-122).
 - Awarded to Rayco Construction, Basic IDIQ, and Powers General Contractors.
 - Funded through the CDBG program
- Addressing & completing roof, restroom and walkway improvements at the El Paso Zoo



Recommendation

- The requested contracts provide the City of El Paso:
 - Necessary capacity to address emergency and non-emergency repairs/alterations as needed
 - Two year time period
 - Contract value not to exceed \$1.5 million
- Upon Council approval of requested contracts, selected contractors are only entitled to perform work issued by an individual work order by Engineering & Construction Management Department
 - All individual work orders to be issued will support existing projects/programs authorized by Council



Questions/Comments