

JOC CPARB Subcommittee
Meeting Minutes
Centennial Contractors Enterprises, Inc.
5700 Sixth Ave S, Suite 105, Seattle
May 25, 2017

Attendees:

Amy Engel – University of Washington
Brent LeVander – Centennial Contractors
Quinn Dolan – Centennial Contractors
Jim Phillips – Forma Construction
Scott Akre – Lewis Builds
Elsa Tibbits – City of Seattle
Maja Huff – Washington State University
Bob Bourg – Department of Enterprise Services

Absent:

Ed Simpson – Western Washington University

Agenda:

- 1) Introductions
- 2) Purpose
- 3) Action items
 - a) Identify successes and challenges
 - b) Review past 12 years of data
 - c) Develop best practices implementation models and procedures
 - d) Changes to be considered

All attendees spoke to the successes of JOC, including:

- Partnering environment
- Quick turn around, speed to market
- Constructability reviews happening earlier
- Utilizes small/DBE contracting pool
- Ability to influence design and help set expectations of construction
- Ability of JOC to do vertical/horizontal CM services
- Construction expertise to public buyer

- Influence administration
- Ease of use

Some of the challenges of the JOC program:

- Overuse of JOC, 20 Work Order per week
- Looks like unit price contract but operates as a lump sum—some end users are frustrated by this. Overrun/underrun units if the estimate is reviewed as a line item estimate versus a lump sum
- Education of end users to ensure success doesn't always happen
- Risk analysis is sometimes lacking
- No "typical" JOC work—they should be flexible and therefore standard processes don't always work
- Specialty pricing vs. line items – usage/quantities
- Complexities of work with the <\$350k requirement remains an issue
- Lack of understanding of RS Means/unit price book
- JOC's back in to the necessary price vs. use of R.S. Means as intended
- Problems are typically pricing item.
- Most facilities have Shops to complete some of the intended JOC work
- When the market is soft – subcontractors were interested. In today's market, sub participation is strained causing schedule delays
- Strong db e engagement
- Much more efficient if it wasn't 90/10 in today's market.

City of Seattle changed their JOC Program with their last RFP to their JOC Contracts:

- Field supervision is required on each work order and is a payable item through a Div 1 RSMeans line item. This was due to lack of supervision on work orders. This could be a negotiated item depending on other work sites and vicinity of new work orders.
- Allowable mark-ups for subs/work orders are defined for bidding purposes and change orders.
- A Forced Account provision has been implemented which caps the use of T&M at not to exceed 20% of the overall work order value. Forced Account is submitted and tracked through the Reimbursable clause of the contract.
- Turn around time frames on proposals are defined to be 14 days after the bid walk has occurred.

- The City needed more prescriptive project definition to find success on the projects.
 - City departments to design or “scope” to a 90-100% level before engaging in the JOC Contractor. This is to streamline the information to the JOC and to assist in obtaining proposals in the 14 days turnaround time.
- Traditional Public Works construction management processes to be followed (RFI, submittals, etc) on each work order. The City has found that these tools have often made an impact in streamlining communication.
- Requiring the JOC and its subcontractors to use Weekly LCP Tracker and B2G now uploading of documents.

City of Seattle is also proposing a new contract/procurement method:

- Task Order Public Works – 3 yr, \$4M
- No task orders Limit
- Years are aggregate
- Task order Public Works approach is similar to the federal IDIQ contract
- Competitive Bid – Bid items, unit rate
- Modeling it under public work – 39.10
- Definition of a contract – competitive

DATA: 10 years data – send out via emails
 DES will compile last 2 years during the next month
 JOC Programs across the state:

- DES
 6@\$6M could complete double the work
- City 2@\$6M
- King County 2@\$6M
- UW 2@\$4M
- WSU 1@\$4M
- Others ???

Ideas for Improvement:

- Increase Limits--there are no alternative public works between \$350k to \$2M

- Increase limits to \$10M to align with some of the federal requirements:
 - FEDS: Fort Lewis [JBLM] >\$2M project, Max 5 years, \$90M
 - McChord AFB <\$750k
 - AZ is unlimited
 - WA RCW is most restrictive in nation
- Eliminate the yearly restriction of either \$4M or \$6M.
- Market has increased 34-35% where the JOC work order limits have only increased 17%, therefore we cannot complete the same amount of work when originated. Increase the work order limits to \$550k
- Build in economic independence/escalation
- 90/10 self preformed work was discussed with mixed reviews.
- Schedule requirements were discussed:
 - Schedule submitted with pricing
 - Schedule submitted 14 days after NTP
- Unit Pricing Book—is there an alternative pricing mechanism?
- PRC now approves Design Build and GCCM, but not JOC
alternative solution for agencies to get a JOC contract

WSU does not use JOC to capacity, actively using Small Works Roster (SWR)

Interagency agreements – are not effective

Action Items:

- Prepare comparisons of JOC to DBB, in all areas, i.e. schedule, costs and utilization By All
- Compile the JOC CPARB reports/data, including change order rates, utilization... Brett and Bob
- Data review for next agenda to support recommendations

Next Meeting is:

Thursday, June 22 1-3pm (2 hours)
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 Suite 400 (Fourth Floor)
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