



## MEMORANDUM

---

**DATE:** December 12, 2014

**TO:** C.H. Huckelberry, County Administrator

**FROM:** Priscilla S. Cornelio, P.E., Director 

**SUBJECT: Questions on Consent Calendar 7 – Job Order Master Agreement**

---

This memorandum is in response to an inquiry from Supervisor Miller's office requesting clarification on the Departments' Job Order Master Agreement. With input from Procurement, we offer the following response.

Job Order Contracts (JOC) are solicited under the rules of ARS Title 34 and it is a qualifications based solicitation. A Solicitation for Qualifications for Job Order Master Agreement: Traffic Signal, Road Intersection, Paving and Drainage Improvements was advertised in September 2011, with the Statements of Qualifications due on October 6, 2011. The contractors successful in being awarded a place on the JOC were the following: The Ashton Company, Inc., Borderland Construction Company, Inc., Granite Construction Company, KE&G Construction, Inc., and Southern Arizona Paving & Construction Company. The JOC is set up as a one-year term with a County option for up to four successive one-year renewals. The original agreement started 12/22/11, with a set up capacity of \$3M. Mechanically, the bid threshold on this JOC is \$100K, and the limit is \$1M for any single job order, inclusive of change orders.

The following is the Departments' JOC process:

- The project manager will initiate the bidding process with all five contractors by providing:
  - engineered drawings
  - an engineer's cost estimate will be provided to all bidders for reference by Pima County.
  - a construction schedule will be provided to the bidding contractors by Pima County.
  - contractors will be required to return their bid to the project manager by a certain date.
- All bids returned to the project manager will be a lump sum bid for the entire project.
- Job order contracts are "contractor at risk" contracts. Changes to the cost will only be initiated by Pima County and only for a "change in scope of the work" required.

**Questions on Consent Calendar 7 – Job Order Master Agreement**

December 12, 2014

Page 2

Contractors may not initiate additional costs due to unforeseen circumstances unknown prior to the bidding process. There are some exceptions, but they are very limited.

- After the low bid contractor has been selected, all bidders are notified of the bid results for the project. At that time, contractors may point out any discrepancies they feel have affected the bid process and request a review.
- After the low bid contractor has been selected, Pima County request line items with individual costs. These costs are only used as a guide for future estimates and a guide for paying invoices as the project progresses.
- A Delivery Order (DO) is created in AMS for the entire budgeted amount for the project construction as proposed by the low bidder. The DO is approved by the "signing authority" within Department of Transportation.
- The project is initiated, and administrated through normal DOT administrative field engineering processes to ensure all documentation is available for future use.

When the project is completed, the performance review form is not typically filled out on a project-by-project basis. The Division managing the JOCs, typically DOT Operations Division, will send comments and concerns, if any, during the renewal / rebid period. The copy of the attached e-mail is representative of the communications exchange each year at renewal time.

Since the Master Agreement has been in place, there have been several Amendments:

- Amendment 1 - the Pima County Board of Supervisors (BOS) at their meeting of March 20, 2012, approved a \$10,000,000 increase in the spending authority for this JOC.
- Amendment 2 - the Pima County Board of Supervisors (BOS) at their meeting of November 13, 2012, approved a \$7,000,000 increase in the spending authority for this JOC.
- Amendment 3 – the Procurement Director executed a time only renewal on 11/29/12 to extend the term to 12/21/13.
- Amendment 4 - the Pima County Board of Supervisors (BOS) at their meeting of August 19, 2013, approved a \$5,000,000 increase in the spending authority for this JOC.
- Amendment 5 - the Pima County Board of Supervisors (BOS) at their meeting of December 10, 2013, approved a \$5,000,000 increase in the spending authority for this JOC, and extended the term to 12/21/14 for a one-year renewal.

The Pima County Board of Supervisors is being asked to approve Amendment 6 at their meeting of December 16, 2014. This Amendment would approve a \$5,000,000 increase in the spending authority for this JOC, and extend the term to 12/21/15 for a one-year renewal. (Consent Calendar Item number 7)

This JOC process is very much a self-policing type of contract in that the qualifications-based selection and the competitive bidding within regulate the process well. The contractors have a vested interest in ensuring the County is well satisfied with the work. They could easily not qualify again should any type of unresolved quality, workmanship, material, or character issue arise. This JOC process is one of the Departments' most effective tools. Approximately \$25 million has been spent on roughly 135 job orders from this JOC since its inception in late 2011.

C.H. Huckelberry, County Administrator

**Questions on Consent Calendar 7 – Job Order Master Agreement**

December 12, 2014

Page 3

The primary user is DOT; however, Public Works and Facilities Management have used it for small jobs in the past.

PSC:AO:dg

cc: John M. Bernal, Deputy County Administrator  
George Widugiris, Procurement Department  
Ana Olivares, Deputy Director for Infrastructure  
David Cummings, Operations and Maintenance Division Manager  
Bob Roggenthen, Transportation Project Manager

## Ana Olivares

---

**From:** David Cummings  
**Sent:** Tuesday, November 18, 2014 3:01 PM  
**To:** Mark Koskiniemi  
**Subject:** Renewal on JOC Master Agreement 12\*226

Thanks Mark. This has been working well; please add and continue.

---

**From:** Bob Roggenthen  
**Sent:** Tuesday, November 18, 2014 1:55 PM  
**To:** Lou Tapley; Mark Koskiniemi; David Cummings; John Carter  
**Cc:** Anthony Schiavone  
**Subject:** RE: Renewal on JOC Master Agreement 12\*226

I agree

---

**From:** Lou Tapley  
**Sent:** Tuesday, November 18, 2014 11:23 AM  
**To:** Mark Koskiniemi; Bob Roggenthen; David Cummings; John Carter  
**Cc:** Anthony Schiavone  
**Subject:** RE: Renewal on JOC Master Agreement 12\*226

Add 5 Million more capacity.

---

**From:** Mark Koskiniemi  
**Sent:** Tuesday, November 18, 2014 10:39 AM  
**To:** Bob Roggenthen; Lou Tapley; David Cummings; John Carter  
**Cc:** Anthony Schiavone  
**Subject:** Renewal on JOC Master Agreement 12\*226  
**Importance:** High

All,

It's that time of the year again – Thanksgiving and more....

But it really is time to renew our Traffic JOC.

What say you? Have all the JOC contractors (Granite, KE&G, Ashton, SAP, Borderland) been operating satisfactorily, and at reasonable prices?

Do you want to renew?

I see we still have \$4.6M remaining on this MA, considering that a year ago we added \$5M. So I'm guessing we can hold off on adding any more money until you need more, or if you want, we could add \$1M for an additional cushion. Let me know if you want to add any money on this renewal.

John,

In reviewing the fed supplement (Appendix E) of the original Agreement, it looks a bit dated and probably needs a review. I can't see that we have amended the Agreement since it was originally issued, so it may need an update, which we may be able to incorporate into this amendment/renewal.

The cut off date for having an item ready for BOS action (if needed) is Dec 1, in order to have the renewal in place before expiration of the current term.

So everyone let me know what you would like to do.

Thanks!

MSK

Mark Koskiniemi | Lead Commodity / Contracts Officer

Pima County Procurement | Design & Construction Division

130 West Congress Street, 3rd Floor | Tucson, AZ 85701

Direct: 520-724-3723 | Main: 520-724-3731 | Fax: 520-724-4434

[mark.koskiniemi@pima.gov](mailto:mark.koskiniemi@pima.gov) | [www.pima.gov](http://www.pima.gov)

 ***Please consider the environment before printing this email.***