

# DEPARTMENT OF PUBLIC WORKS

## JOB ORDER CONTRACTING FACILITIES

### JOC 20-01 & 20-02

Mandatory Pre-Bid Meeting  
January 9, 2019 @ 1:30 PM



# Pre-Bid Meeting Agenda



**JOC Overview**

**JOC Contract Documents**

**JOC Process**

**Solicitation Details**

**Understanding the Construction Task Catalog® (CTC)**

**Calculating the Bid**

**Bid Considerations & Review**

**Contractor Adjustment Factors**

**Risk of Low Adjustment Factors**

**Questions**

# JOC Overview



## What is Job Order Contracting?

- A Job Order Contract Is a Firm, Fixed Priced, Competitively Bid, Indefinite Quantity Contract
  - JOC Is Designed to Accomplish Small-medium Size, Multi-trade, Minor Construction, Repair and Remodel Projects
  - JOC Is a Series of Individual Projects Issued As Job Orders Under the Base Contract
- A Fundamentally Different Construction Procurement Relationship
  - Performance-Based Contract
- Non-adversarial relationship between Owner & Contractor
- Future Purchase Orders Tied to Contractor Performance
  - No Obligation To Award Specific Projects
- The County can Use All Other Methods For Accomplishing Projects
- JOC Introduced in the United States in 1985 (Dept. of Defense, USPS, NASA, etc.)
- Implemented by states, counties, cities, universities, housing authorities, etc. since 1990
- Hundreds of contracts currently in use
- Over \$1.4 Billion in construction placed annually through Gordian JOC systems

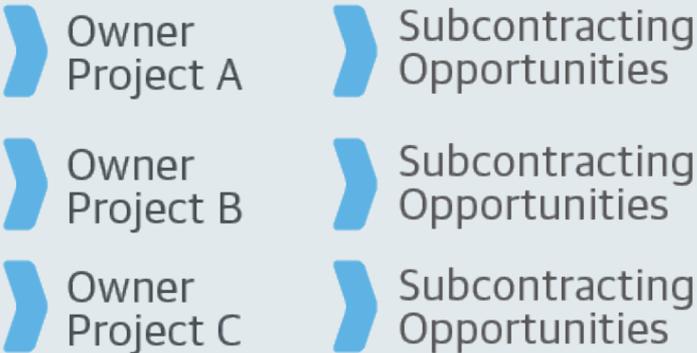
# JOC Overview



## Part 1 Bidding the Umbrella Job Order Contract



## Part 2 Procuring Individual Projects From Owner



# JOC Overview – Contractor Benefits



## Why JOC Works for The Contractors

- Good work is rewarded with more work
  - Profit is a function of volume
  - Volume is driven by performance
  - JOC provides a steady flow of work
  - Do not have to chase the next project
- Long-term relationship with the County
  - Good work is rewarded with more work
  - Develop partnership with the County
- Reduced Risk
  - Payment for every element of work performed
  - Ability to provide input during scope development

# JOC Contract Documents



Front End Documents  
Construction Task Catalog®  
Technical Specifications

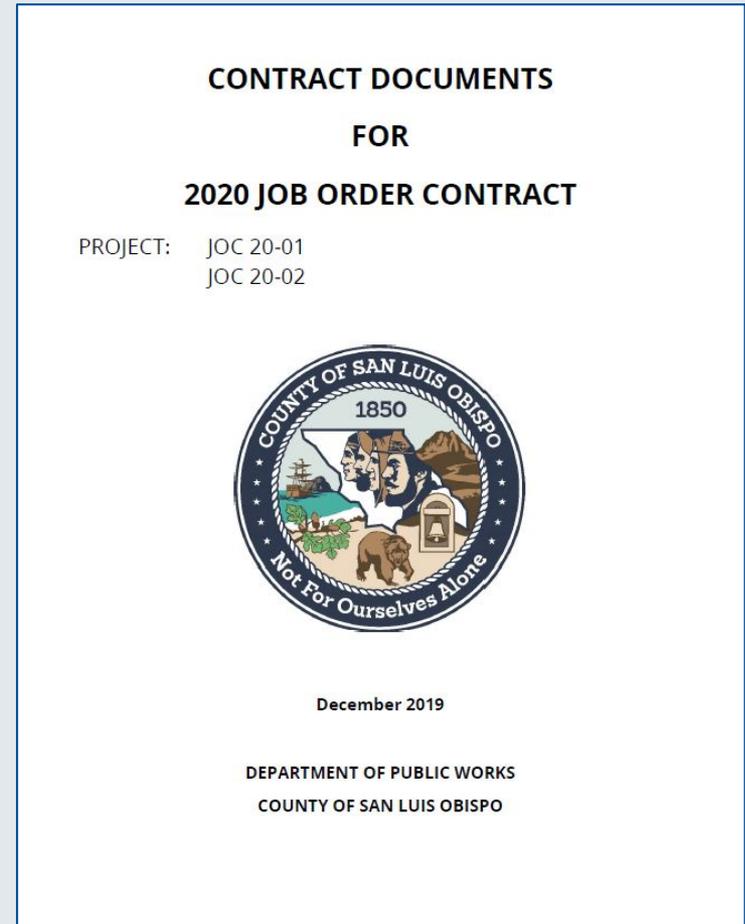


# JOC Contract Documents



## Front End Documents

- Invitation To Bidders
- Instructions To Bidders
- Bid Forms
- Etc.



# JOC Contract Documents



## Construction Task Catalog® (CTC)

- Catalog of Pre-Priced Construction Tasks
- Organized by Construction Specifications Institute (CSI)
- Based on Local Labor, Material & Equipment Costs
- The tasks represent the “Scope of Work” for the contract



# JOC Contract Documents



## Construction Task Catalog® (CTC)

Typical Task:

		Exterior Improvements		32
		Bases, Ballasts, And Paving		32 10
		Unit Paving		32 14
				32
MINOR	DESCRIPTION	TOTAL DIRECT	DEMOLITION	
CSI	UOM	UNIT COST	UNIT COST	
<b>32 16</b>	<b>Curbs, Gutters, Sidewalks, And Driveways</b> <small>(32 16)</small>			
<b>32 16 13</b>	<b>Curbs And Gutters</b> <small>(32 16)</small>			
	<small>Note: Includes transitions. Demolition Includes two saw cuts (each end) of curbs and gutters for lengths up to 100'. See CSI section 02 41 19 13-004.3 for additional saw cuts within the 100'.</small>			
<b>32 16 13 13</b>	<b>Cast-In-Place Concrete Curbs And Gutters</b> <small>(32 16 13)</small>			
	<small>Note: Includes concrete, forms, rebar, chairs (where necessary), expansion joints.</small>			
<b>32 16 13 13-0001</b>	<b>Concrete Curb, Cast In Place</b> <small>(32 16 13 13)</small>			
	<small>Note: Includes delivered concrete, forms, rebar, chairs (where necessary), expansion joints, finish and curing.</small>			
32 16 13 13-0002	LF 6" X 12" Cast In Place Concrete Curb .....	7.18		3.23
	<i>For Up To 20, Add</i> .....	4.03		
	<i>For &gt;20 To 50, Add</i> .....	2.27		
	<i>For &gt;50 To 100, Add</i> .....	0.88		
	<i>For &gt;500 To 1,000, Deduct</i> .....	-0.88		
	<i>For &gt;1,000, Deduct</i> .....	-1.50		
32 16 13 13-0003	LF 6" X 12" Cast In Place Concrete Curb - Radius .....	8.18		3.72
	<i>For Up To 20, Add</i> .....	4.63		
	<i>For &gt;20 To 50, Add</i> .....	2.61		
	<i>For &gt;50 To 100, Add</i> .....	1.01		
	<i>For &gt;500 To 1,000, Deduct</i> .....	-1.01		
	<i>For &gt;1,000, Deduct</i> .....	-1.72		

CSI MasterFormat

Full description of task

Price includes labor, material + equipment for your location

Demolition price

Section + task notes

Modifiers for variations or quantity discounts

# JOC Contract Documents



## Technical Specifications

- Specifies Quality of Materials and Workmanship
- Corresponds with Tasks in the Construction Task Catalog<sup>®</sup>



# JOC Process – How is JOC Bid?



## Award Based on Competitive Bid

- Must Bid 4 Adjustment Factors:
  - **Normal Working Hours on Projects less than \$25,000**: 7:00 am to 5:00 pm Monday through Friday
  - **Other Than Normal Working Hours on Projects less than \$25,000**: 5:00 pm to 7:00 am Monday to Friday, and all day Saturday, Sunday and County Holidays
  - **Normal Working Hours on Projects \$25,000 or greater**: 7:00 am to 5:00 pm Monday through Friday
  - **Other Than Normal Working Hours on Projects \$25,000 or greater**: 5:00 pm to 7:00 am Monday to Friday, and all day Saturday, Sunday and County Holidays
- Each Adjustment Factor is Weighted to Create an Award Criteria Figure
- Lowest Award Criteria Figure From a Responsive, Responsible Bidder Wins!

# JOC Process - How is Work Done?



Joint Scope Meeting (JSM) With the County, Contractor, and Others to define the Detailed Scope of Work

The County Issues Request for Proposal for the Agreed Upon Detailed Scope of Work

Proposal Development

- Typical Proposal Due Date will be 2 weeks from RFP

Proposal Review

Issuance of Job Order

Total Time Goal: Average 3-5 weeks

# Solicitation Details



## Prior to Bidding the County Cannot:

- Identify or Commit to any Specific Project or Location
- Identify or Commit to any Specific CTC Tasks or Quantities
- Bidders may bid separately on any or all of the contracts, only one contract is to be awarded to any one bidder

Bids are to be submitted in separate sealed envelopes. Envelopes shall be marked in lower left corner “Bid for JOC 20-01” or “Bid for JOC 20-02”.

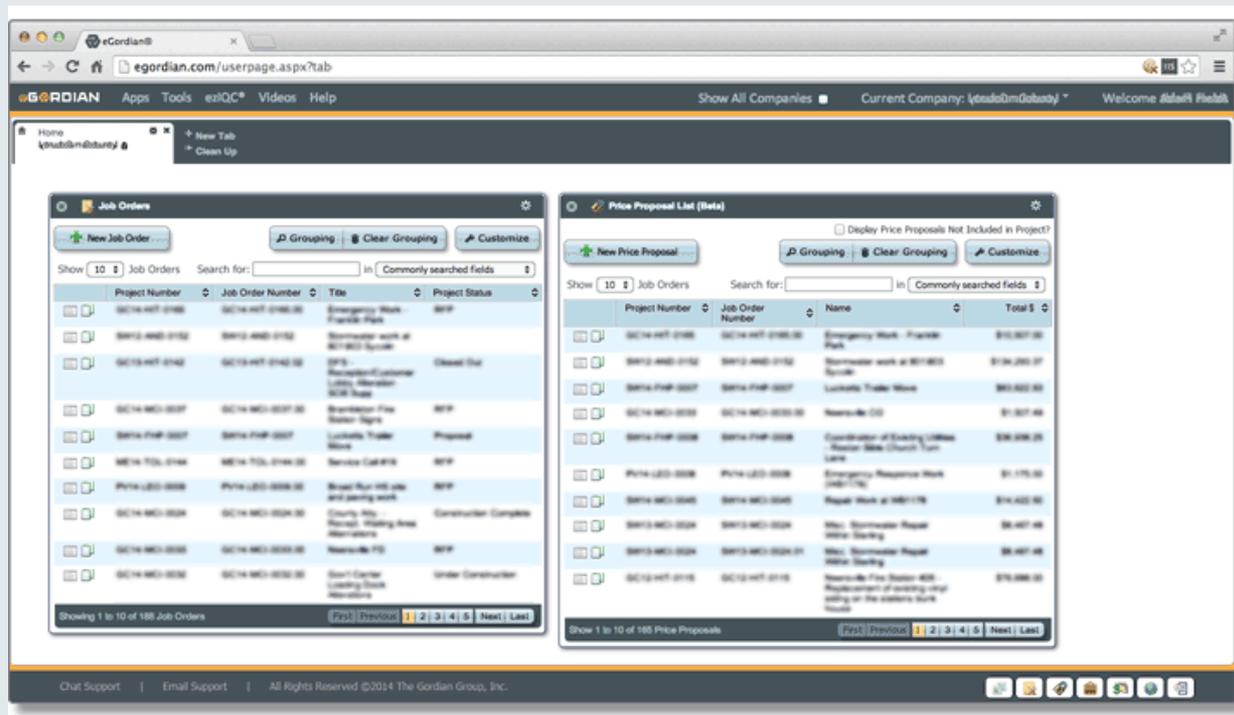
Contract	Contract Type	Minimum Contract Value	Maximum Contract Value	Maximum Value may be increased to legislative limit	Contract Term	Initial Payment & Performance Bonding (Each)
JOC 20-01	General “B”	\$50,000	\$750,000	\$4,949,291	1 Year	\$750,000
JOC 21-02	General “B”	\$50,000	\$750,000	\$4,949,291	1 Year	\$750,000

# Solicitation Details



## Internet Based Software Provided with Contract

- eGordian Software Automates the Proposal Process



# Solicitation Details



## Contractor License Fee

Access to eGordian<sup>®</sup>, Construction Task Catalog<sup>®</sup>, other proprietary materials

- Most advanced technology and data in the marketplace.
- Paperless
- Efficient
- Tasks and prices input directly... no fishing through old files and estimating books for costs

JOC process training

eGordian<sup>®</sup> software training

Support 8am to 8pm EST Monday through Friday

Included in the Contractor's Adjustment Factor

- Consider with the Bid as an Overhead cost
- **1% of Job Order Price**

# Solicitation Details



## Differing Site Conditions or Changes in Scope

- Priced from Construction Task Catalog<sup>®</sup>
- Supplemental Job Order
- No Negotiated Change Orders

## Filings and Permits

- Fees paid for all Permits reimbursed 100% - **No Markup**

## Liquidated Damages

- Applied to every Job Order
- Sliding Scale Based on Job Order Value

**Bid Security: \$25,000**

# Understanding the Construction Task Catalog®



Contractor must review and understand “Using the Construction Task Catalog®”

Rules of the game

Make sure you get paid for all appropriate tasks

Pages 00 – 1 to 00-8 of the CTC

\* Handout

## GORDIAN®

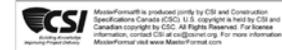
### Using The Construction Task Catalog®

#### About the CTC:

- ❑ This Construction Task Catalog® (CTC) was developed and customized by The Gordian Group, Inc. specifically for <Owner>, priced locally using current labor, material and equipment costs, and published in <Month> 2020.
- ❑ The Gordian Group, Inc. licenses the use of this CTC and other proprietary information and software for the sole purpose of providing Job Order Contracting services to <Owner>. Use of this CTC and other proprietary information and software for any other purpose, or for any other entity, is expressly prohibited without the express written consent of The Gordian Group, Inc.

#### MasterFormat™

- ❑ The tasks in this Construction Task Catalog are organized using CSI's MasterFormat.



#### The Unit Prices Include:

##### LABOR COSTS:

- ❑ Labor costs include direct labor through the working foreperson level at straight-time prevailing wage rates including fringe benefits and an allowance for Social Security, Medicare taxes, worker's compensation, unemployment insurance, and employee benefits.
- ❑ Labor costs include unloading equipment, materials, and tools, and transporting the same up or down 2 1/2 stories and 125' to reach the project site; layout; measuring and cutting to fit; performing the task; disposal of excess material; and time for lunch and breaks.

##### EQUIPMENT COSTS:

- ❑ Equipment costs include all equipment required to accomplish the task.
- ❑ Mobilization is included for all equipment except large equipment (e.g. cranes, bulldozers, excavators, backhoes, bobcats etc.), which exclude mobilization.
- ❑ Equipment costs include all operating expenses such as fuel, electricity, lubricants, etc.

##### MATERIAL COSTS:

- ❑ Material costs include the cost of the material, delivery, and all incidentals and accessories integral to the installation.
- ❑ Material costs include manufacturer's and/or fabricator's shop drawings.
- ❑ Material costs for roofing, drywall, VCT, carpet, wall covering, ceiling tile, pipe, conduit, concrete, etc. include an allowance for waste. This list is not intended to be all inclusive, but descriptive of the types of construction materials that are typically sold in standard lengths, sizes and weights.
- ❑ Material costs for imported materials (e.g. aggregate, sand, soil, etc.) include delivery up to 15 miles from the closest approved source.

##### The Adjustment Factors Include:

The Adjustment Factors include the following costs, unless specifically excluded by the terms of the Contract Documents:

##### BUSINESS COSTS:

- ❑ Office overhead, including, but not limited to, office space, office equipment, office and management personnel, office supplies, and employee transportation.
- ❑ Insurance and bonding.
- ❑ Profit.

<Month> 2020

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Sample Bid Note

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# Understanding the Construction Task Catalog®



## Include All Appropriate Tasks:

32 16 23 00-0002	4" Cast In Place Concrete Sidewalk	SF	\$5.06	400	\$2,024.00	
	For Quantities 100 to 500, Add	SF	\$2.04	400	\$816.00	
32 11 16 00-0015	4" Crushed Aggregate Base	SF	\$0.63	400	\$252.00	
	For Quantities Under 1000	SF	\$0.18	400	\$72.00	
01 71 13 00-0003	Mobilize Backhoe	EA	\$402.63	1	\$402.63	
31 23 16 36-0006	Excavation by Backhoe	CY	\$3.75	11	\$41.25	
	For Quantities Under 20 CY, Add	CY	\$3.75	11	\$41.25	
31 23 16 36-0028	Loading Excess Materials	CY	\$3.42	13.75	\$47.03	
	For Quantities Under 20 CY, Add	CY	\$3.42	13.75	\$47.03	
01 74 19 00-0029	Hauling to Dump Site	CYM	\$0.51	207	\$105.57	
01 74 19 00-0021	Landfill Dump Fee	CY	\$15.14	13.75	\$208.18	\$4,056.93
						/400
						\$10.14

Compare these prices

\* Sample only

# Non Pre-priced Tasks



Contractor must have permission from the County to use a Non Pre-priced Task prior to submission

Three (3) Quotes on vendors' or subcontractors' letterhead

Justification for less than three (3) Quotes

Contractor is paid the amount in the following formula:

A = The number of hours for each labor classification and hourly rates

B = Equipment costs (other than small tools)

C = Three independent quotes for all materials

Total Cost for Self-Performed Work = (A+B+C) x Normal Hours Adjustment

Factor or 1.15 (whichever is less) and (only if A & B cannot be priced out of the CTC)

If the work is to be subcontracted, the Contractor must submit three (3) independent bids from Subcontractors. If three quotes or bids cannot be obtained, the Contractor will provide the reason in writing For the County's approval as to why three quotes cannot be submitted.

D = Subcontractor Costs (supported by three quotes)

Total Cost of Non-Pre-Priced Task = D x Normal Hours Adjustment Factor or 1.15 (whichever is less)

# Methods to Calculate Bid – Adjustment Factors



## Recommended Method

### Use Historical Project Data

- Select a Completed Project
  - You Know Scope and Direct Costs
- Price Project From CTC
- Add on Overhead and Profit
- Calculate the Adjustment Factor

## Alternative Method

### Create a Representative Project

- Create a Scope of Work
- Get Sub Quotes or Estimate Cost
- Price Project From CTC
- Add on Overhead and Profit
- Calculate the Adjustment Factor

# Sample Project - Detailed Scope of Work



## Office Renovation

- Doors and Hardware
  - Replace 12 interior doors, hinges and hardware
  - Doors shall be 3x7, solid core wood doors
  - Grade 2 locksets with knobs
  - Replace 2 push bar exist devices and door closers on exit doors
- Interior Lighting
  - Replace all lay-in troffer fixtures on first and second floors. 48 in total
  - Replace 4 exit fixtures
  - Replace 12 industrial fixtures in shop area
- Plumbing Fixtures
  - Replace 8 bathroom sinks, 8 faucets, and 8 toilets in men's and women's bathroom in admin building and shop area
  - Replace 4 water fountains
- Replace Boiler
  - Demo existing boiler and as much piping and venting to accommodate new boiler. Install a new 1028 mbh oil fired cast iron boiler. Weil-McLain Model 88. No access for packaged boiler. Must field assemble sections. Provide new piping as required.
- Normal Working Hours Apply

# Sample Project – CTC Price vs. Quotes



## Direct Cost of Work from CTC

- Replace Boiler \$ 48,911.43
- Doors/Hardware \$ 9,748.46
- Lighting \$ 15,845.00
- Plumbing \$ 14,986.76

TOTAL = \$ 89,491.65

## Direct Cost of Work from Quotes or Estimates

- Replace Boiler \$ 47,500.00
- Doors/Hardware \$ 9,250.00
- Lighting \$ 16,750.00
- Plumbing \$ 12,500.00

TOTAL = \$ 89,000.00



# Sample Project – Putting It All Together



A.	Direct Cost of Work from Quotes	\$89,000.00
B.	Overhead 10%*	<u>\$ 8,900.00</u>
C.	Subtotal (Cost & O/H)	\$97,900.00
D.	Profit 10%*	<u>\$ 9,790.00</u>
E.	Subtotal (Cost & O/H & Profit)	\$107,690.00
F.	Price From CTC	\$89,491.65

**Adjustment Factor (= E / F) = 1.2034**

\*Sample Only. Contractor to determine O/H & Profit.  
[Prepare this calculation for more than one sample project.](#)

# Filling Out the Bid Form



## I. Projects Less Than Twenty-Five Thousand Dollars (<\$25,000)

- A. **Normal Working Hours:** Undersigned shall perform any or all functions called for during Normal Working Hours on Projects valued at less than Twenty-Five Thousand Dollars (\$25,000) in the quantities specified in individual Job Orders against this contract for the Unit Prices specified in the Construction Task Catalog® (CTC) multiplied by the Adjustment Factor of:

1	.	2	7	0	0
---	---	---	---	---	---

*(Specify to four (4) decimal places)*

---

*(Specify in words)*

Note that no Adjustment Factor may be less than factor II.A. for Projects \$25,000 or Greater to be performed during Normal Working Hours.

- B. **Other Than Normal Working Hours:** Undersigned shall perform any or all functions called for during Other Than Normal Working Hours on Projects valued at less than Twenty-Five Thousand Dollars (\$25,000) in the quantities specified in individual Job Orders against this contract for the Unit Prices specified in the Construction Task Catalog® (CTC) multiplied by the Adjustment Factor of:

1	.	2	9	0	0
---	---	---	---	---	---

*(Specify to four (4) decimal places)*

---

*(Specify in words)*

Note that no Adjustment Factor may be less than factor II.A. for Projects \$25,000 or Greater to be performed during Normal Working Hours.

\* Sample only

# Filling Out the Bid Form



## II. Projects Twenty-Five Thousand Dollars or Greater (>=\$25,000)

A. **Normal Working Hours:** Undersigned shall perform any or all functions called for during Normal Working Hours on Projects valued at Twenty-Five Thousand Dollars (\$25,000) or greater in the quantities specified in individual Job Orders against this contract for the Unit Prices specified in the Construction Task Catalog® (CTC) multiplied by the Adjustment Factor of :

1	.	2	0	3	4
---	---	---	---	---	---

*(Specify to four (4) decimal places)*

---

*(Specify in words)*

Note that no Adjustment Factor may be **less than** factor II.A. for Projects \$25,000 or Greater to be performed during Normal Working Hours.

B. **Other Than Normal Working Hours:** Undersigned shall perform any or all functions called for during Other Than Normal Working Hours on Projects valued at Twenty-Five Thousand Dollars (\$25,000) or greater in the quantities specified in individual Job Orders against this contract for the Unit Prices specified in the Construction Task Catalog® (CTC) multiplied by the Adjustment Factor of:

1	.	2	5	0	0
---	---	---	---	---	---

*(Specify to four (4) decimal places)*

---

*(Specify in words)*

Note that no Adjustment Factor may be **less than** factor II.A. for Projects \$25,000 or Greater to be performed during Normal Working Hours.

\* Sample only

# Filling Out the Bid Form



		Enter Factor carried out Four (4) decimal places					
		1	.	0	8	5	0
Line 1	Enter <i>Normal Working Hours for Projects less than \$25,000 Adjustment Factor</i> from prior page in column to right →	1	.	2	7	0	0
Line 2	Multiply Line 1 Adjustment Factor by 15% = (0.15 x Line 1) and enter in column to the right →	0	.	1	9	0	5
Line 3	Enter <i>Other than Normal Working Hours for Projects less than \$25,000 Adjustment Factor</i> from prior page in column to right →	1	.	2	9	0	0
Line 4	Multiply Line 3 by 5% = (0.05 x Line 5) and enter in column to right →	0	.	0	6	4	5
Line 5	Enter <i>Normal Working Hours for Projects greater than \$25,000</i> from prior page in column to right →	1	.	2	0	3	4
Line 6	Multiply Line 5 by 60% = (0.60 x Line 5) and enter in column to right →	0	.	7	2	2	0
Line 7	Enter <i>Other Than Normal Working Hours for Projects greater than \$35,000 Adjustment Factor</i> from prior page to column to right →	1	.	2	5	0	0
Line 8	Multiply Line 7 by 20% = (0.20 x Line 7) and enter in column to right →	0	.	2	5	0	0
		<b>ACF</b>					
Line 9	<b>Award Criteria Figure (ACF)</b> equals the sum of Lines 2, 4, 6, and 8 (Add together: (Line 2+Line 4+Line 6+Line 8) and enter total (sum) in column to right →	1	.	2	2	7	0

# Bid Considerations



## Contractors Should Expect To

- Prepare incidental drawings or sketches for some projects
  - Justify Quantity Calculations
  - Explain Detail of Work
- Prepare proposals for some projects that may be canceled
- Margins on CTC tasks vary
- Some projects are more profitable than others
- Maintain a fully functioning office
- Maintain a fully functioning staff
- Hold required licenses
- **Contractor to Pay 1% of each Job Order as a Contractor License Fee for eGordian® software access**

# Contractor Adjustment Factors



## Importance of Adjustment Factors

- Determines winning bidder AND
- Used to price individual Job Orders
- Price proposal total becomes the lump sum Job Order amount

	Unit Price	x	Quantity	x	Adjustment Factor	=	Total for Task
+	Unit Price	x	Quantity	x	Adjustment Factor	=	Total for Task
+	Unit Price	x	Quantity	x	Adjustment Factor	=	Total for Task
							<hr/>
							Total Job Order Price

# Risks of Low Adjustment Factor



## Leads to Arguments in Proposal Review

- Unsupportable Tasks
- Exaggerated Quantities

## Leads to Delays in Job Order Development

- Takes Longer to Review Proposals

## Creates an Adversarial Relationship

- Reduced Volume of Work
- Will Shorten Contract
- Lost Profitability

## No Second Chance to Improve Margin

# Review / Key Points



## Focus on Total Potential Value of Contract

- \$750,000

## Evaluate Construction Task Catalog<sup>®</sup>

- Analyze Unit Prices
- Know the General Guidelines for Using the CTC

## Contractor Performance Drives Volume

- Responsive Service
- Accurate Proposals
- Safe and Clean Project Sites
- High Quality Construction
- On-Time Completion
- On-Time Close Out

# Bids



**Sealed bids due: Thursday, January 23, 2020 at 3:00 PM**

**County Clerk  
County Government Center  
1055 Monterey Street, Suite D120 (1<sup>st</sup> Floor)  
San Luis Obispo, CA 93408**

**ONE (1) fully executed paper bid document**

**The bid number, Project Title, Project Number and company name must be included on the outside of your sealed package and failure to do so may result in the inadvertent opening of the package and may cause your bid to be rejected.**

**Bids are to be submitted in separate sealed envelopes. Envelopes shall be marked in lower left corner "Bid for JOC 20-01" or "Bid for JOC 20-02."**

# Contract Documents



Contract Documents are also available for download free of charge at:

[http://www.slocounty.ca.gov/GS/Purchasing/Current\\_Formal\\_Bids\\_and\\_Proposals.htm](http://www.slocounty.ca.gov/GS/Purchasing/Current_Formal_Bids_and_Proposals.htm)

# Questions?



## Make Sure you Signed the Pre-bid Sign-In Sheet

### Question Submittal:

- Submit to the Owner a written request for an interpretation or correction thereof not less than five (5) business days prior to the date bids are be opened. The person submitting the request will be responsible for its prompt delivery. All questions pertaining to the content of this invitation to Bid must be made in writing through the Purchasing website. Questions and responses will be posted on the Purchasing website and can be viewed by accessing the Invitation to Bid located at the Purchasing website.