

**San Joaquin County's Job Order Contracting Work Plan  
For Federal Highway Administration (FHWA) Funded Projects**

**April 18, 2016**

**Purpose**

This work plan will detail San Joaquin County's (County) approach to utilize the Job Order Contract (JOC) process to deliver its roadway and bridge projects eligible for federal funding. With approval of the work plan, the County can deliver its minor or recurring construction; or the renovation, alteration or repair of County roadways and bridges with the least cost and in the timeliest fashion by utilizing federal-aid for JOCs under the Federal Highway Administration (FHWA) Federal Special Experimental Project No. 14 (SEP-14) alternative contracting program.

**Scope**

San Joaquin County has 263 bridges and 615.5 miles of roadways eligible for federal funding. The County's JOC pilot program will be used for a 1-year period to contract for necessary preventative maintenance activities which extend the service life of the facility, not routine maintenance. Preventive maintenance activities include: seal coats; corrective grinding; shoulder rehabilitation; and all elements listed in the California Department of Transportation, Bridge Preventive Maintenance Program Guidelines for Local Agencies, dated December 2015, such as: expansion joint replacement; concrete deck seals; protective deck overlays; bridge deck asphalt concrete replacement; and repairing, supplementing, or replacing timber structural elements.

**Current Method**

San Joaquin County utilizes standard contracts where the selection is by lowest responsive bidder in accordance with federal regulations.

**Opportunities for Improvement**

The standard process is ineffective because many of the roadways and bridges require minor repairs. Preparing extensive and extremely detailed plans and specifications for a formal contract solicitation dramatically increases project soft costs for small projects. By utilizing JOCs, we can take advantage of the economies of scale by grouping work and providing standardized plans for the repairs.

A JOC is a competitively bid, firm fixed price indefinite quantity contract. It includes a collection of detailed repair, remodel, and repetitive work tasks and specifications that have established unit prices. It is used for the accomplishment of repair, alteration, modernization, and rehabilitation of buildings, structures, and for repetitive work. The JOC process provides a way to accomplish a large number of individual projects with a single competitively bid contract. The contracting authority for counties for the JOC process is Public Contract Code Section 20128.5. The maximum contract amount originally was

\$3 million. The dollar cap for JOCs was amended in 1997, effective January 1, 1998, which indexed increases for the maximum contract amount to the California consumer price index. The current contract maximum amount including these increases is \$4.2 million; however, San Joaquin County Department of Public Works (Public Works) has elected to cap each contract at \$2 million. Each contract is valid for one year from the date of execution.

San Joaquin County Department of Public Works (Public Works) awarded its first JOC in June 2015. The County has implemented the JOC program to accomplish preventive maintenance, repair and refurbishment of County infrastructure and facilities without extensive plans and specifications. Public Works implementation of the JOC program is carried out by developing and customizing a Construction Task Catalog (CTC) and technical specifications. A CTC includes pre-priced construction tasks that are specifically tailored for the type of work that the County intends to accomplish and includes labor, material and equipment costs. All unit prices incorporate Federal Labor Standards including Davis-Bacon requirements and other Federal and State wage rate requirements. A CTC is work-segment based and incorporates local activity, climate, and geographic features. Technical specifications take into account quality of materials and workmanship, performance specifications, and detailed specifications furnished on a project by project basis.

Contractors bid on adjustment factors for work performed during normal working hours and non-normal working hours. These adjustment factors will be applied against the prices set forth in the CTC and are used to price out fixed price work orders by multiplying the adjustment factors by the unit prices and quantities. The Contractor with the lowest composite factor will be considered the apparent low bidder.

Once a contract is awarded, the County will conduct a meeting with the JOC contractor to determine the actual work to be done for each job order to be performed under the JOC. The Contractor will be issued a Request for Proposal and will be required to develop a proposal for the work required.

The Contractor will submit their proposal to the County and this proposal will be evaluated. If the Contractor's proposed units are found reasonable, a job order may be issued at the agreed upon units, which when multiplied by the unit price and appropriate contract adjustment factor will establish the firm fixed price for the job order.

The County's JOC program has become a valuable tool for meeting the ongoing need for high quality, fast, and straightforward construction projects.

The County will utilize the JOC procurement process on types of projects that will not require any right-of-way acquisitions, but may require relocation/adjustment of utility facilities. The County will follow all guidelines in Chapter 13 and Chapter 14 of the Local Assistance Procedures Manual (LAPM) and will complete a separate Right-of-Way Certification for each project.

It is anticipated that the preventive maintenance type projects using JOC will require a Categorical Exclusion (CE) and the County will follow all requirements of Chapter 6 of the LAPM and obtain a signed

CE from the California Department of Transportation (Caltrans) before the Request for Authorization to Proceed with Construction is submitted.

The County would like to engage Caltrans in developing expedited and streamlined methods to certify a JOC project.

The advantages of JOCs are:

- All items are fixed and pre-priced.
- The adjustment factor is competitively bid.
- The cost for each activity is priced by multiplying the number of units by the unit price in the CTC.
- The amount of each job order is the sum of the cost of the activities multiplied by the contractor's adjustment factor.
- JOCs provide reasonable value to the tax payers. JOC projects compare favorably and economically with time and material contracts and traditional design contracts.
- JOCs provide a timely response to identified preservation and maintenance needs as the time to begin construction can be advanced.
- JOCs can be limited in scope. The scope of work for each JOC can be used to limit the types of asset the contract can be applied to.
- JOCs reduce the need and costs for extensive PE work for smaller projects.
- Federal legislation allows all highway bridges to be eligible for federal-aid funding.
- The FHWA Special Experimental Project No 14 (SEP-14) may be used to evaluate promising nontraditional contracting techniques.

### **Proposal**

The County requests approval to utilize JOCs under SEP-14 "Alternative Contracting" program to carry out federally funded projects. Approval of this work plan will allow the County to deliver eligible federally funded projects in an accelerated timeframe and at a cost savings.

### **Schedule**

The County has identified the activities that will be included in the CTC.

The County, at its own expense, procured a consultant on a sole-source basis to prepare the CTC using proprietary software. All consultant costs, including license fees for job orders, will be paid using local funds only. The County will solicit bids through the federal process to select several contractors to perform the work contained in the CTC.

The JOCs will be administered in accordance with Federal Highway Administration and California Department of Transportation guidelines for federally funded projects.

### **Measures**

The County will measure activities and costs for each job order let under a JOC as compared to conventional contracting methods. Measurements will include:

<u>Measurement</u>	<u>JOC</u>	<u>Conventional</u>	<u>Unit of Measure</u>
Time to Complete Plans	X	X	Time
Cost to Complete PS&E	X	X	\$
Construction Cost Comparison	X	X	\$
Construction Time	X	X	Time
Overall Project Duration	X	X	Time
Bid Competition	X	X	Fee Comparison

### **Reporting**

The County will prepare and submit a Final Report of Expenditures for each job order, as required in Chapter 17 of the LAPM. "As Built" plans and a Report of Completion of Structures will also be submitted for structure work. In addition, the County will provide comparisons with standard contracting such as:

- Required staffing for PE, advertising and construction.
- Timeliness of contractors to prepare and provide proposals.
- Thoroughness of the activities included in the CTC.
- Ability to add items when conditions warrant.
- Ability to handle changes during construction.
- Time and cost to deliver.
- Quality of product.
- Contractor feedback.