

Work Plan for Utilizing Job Order Contracting for Bridge Preservation and Maintenance

Purpose and Scope

The purpose of this work plan is to provide a format to evaluate the use of Federal-aid for Job Order Contracts (JOC) to address bridge preservation and maintenance needs. With approval of this work plan, the New Jersey Department of Transportation (NJDOT) will use federal aid for JOC under the Federal SEP-14 program.

Current Method

Scheduled bridge preservation and maintenance repairs are currently accomplished by state forces or bid contracts. Contractors are obtained through the use of the traditional contracting process whereby the owner identifies the locations and provides detailed estimates for each item of work. The contractors bid each item of work, with the award going to the lowest responsive, responsible bidder. This proven method is suitable for bridge replacement and rehabilitation needs. But for minor preservation and maintenance repairs, however, the process is costly and time consuming. Undergoing the traditional bidding process, the same administrative and engineering resources required for replacement projects are necessary for minor repairs and other preservation and maintenance activities. Due in large part to the aforementioned reason, minor repairs, typically involving minimal costs, are often times left unaddressed. As a result, more significant damage ensues requiring more costly and urgent repairs.

Opportunities for Improvement

Job Order Contracting is an indefinite quantity contract under which NJDOT may assign the contractor an ongoing series of individual Job Orders. A major component of Job Order Contracting is a Construction Task Catalog (CTC) consisting of hundreds of work activities called pre-priced tasks. The CTC contains preset unit prices for the direct cost of each task. The unit prices are calculated using local labor, equipment, and material costs. Contractors will be asked to bid two adjustment factors to be applied to the pre-priced tasks in the CTC—one for working during normal working hours and another for working other-than-normal working hours (evenings, weekends, recognized holidays and when NJDOT can only provide access to the work site for less than 7 hours at any one time). Each adjustment factor is weighted (e.g. 75%, 25%) and the sum of the weighted adjustment factors determines the lowest bidder. JOC will be used for small to medium-sized bridge preservation and maintenance projects.

Once a contract is awarded to the lowest, responsive, responsible bidder, and projects are identified, the contractor and NJDOT's project manager will meet at the project site and discuss the work to be performed. After the site meeting, NJDOT's project manager will develop a Detailed Scope of Work and issue a Request for Proposal to the contractor. The contractor will then build a Proposal Package which includes the Price Proposal, a construction schedule, and a list of subcontractors and will submit the Proposal Package to the NJDOT project manager for review and approval. The Price Proposal amount is determined by the unit price of the individual tasks, multiplied by the quantity determined by the Detailed Scope of Work, multiplied by the appropriate adjustment factor based on the work schedule. Once the Proposal Package is approved by the NJDOT project manager, a Job Order will be issued to the contractor.

If there is a change in the Detailed Scope of Work after a Job Order is issued, any extras, changes or deletions are handled as a Supplemental Job Order where the Contractor is required to price the work in the same manner as the original Price Proposal – unit prices multiplied by the quantity multiplied by the appropriate adjustment factor. This eliminates the traditional change order negotiation and avoids claims and delays.

JOC provides a timely response to preservation and maintenance needs on an as-needed basis as the time frame for procuring each project is drastically reduced. JOC contracts can be limited in scope. The scope of work for each JOC can be tailored to the type of asset for which work is required.

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 non-traditional contracting techniques. NJDOT was granted approval to use federal funding for Bridge Painting and Preventive Maintenance contracts.

Proposal

NJDOT requests \$4,500,000 of federal funds to fund three JOC contracts for bridge preservation and maintenance activities under the SEP-14 "Alternative Contracting" program. The following provides the criteria for the program:

- FHWA 1273 will be included in all Job Order Contract bid documents.
- NJDOT will bid three JOCs—one in each region—North, Central and South.
- Each JOC contract will have an estimated annual value: \$2,000,000 for North Region, \$1,500,000 for Central Region, and \$1,000,000 for South Region for a total of \$4,500,000 pilot JOC program
- Each contract will have a fixed term of one year and a geographic region.
- The general scope of the JOC contracts will be for bridge preservation and maintenance activities. Based on the success of the pilot program, NJDOT may explore the use of JOC for the preservation and maintenance of other highway assets that may be explored within the program and subject to the concurrence of FHWA.
- Each Job Order Contract will be managed by the Department's Bureau of Bridge Maintenance Engineering and Operations.

Schedule

- NJDOT has identified the activities that will be included in the CTC.
- NJDOT at its own expense will retain a consultant to prepare the CTC. Once finalized, NJDOT will solicit bids through its traditional bidding process. Each contract will be awarded to the lowest, responsive, responsible bidder. We expect to have the CTC ready for advertising by December, 2013 and award by March, 2014.
- Bridges will be grouped based on scope of work and geographic location.
- The JOCs will be administered in accordance with Federal Highway Administration and NJDOT guidelines for the Federal Bridge Preventative Maintenance Program.

Evaluation

NJDOT will review and evaluate the following during the pilot JOC program:

- Time to complete the JOC bid documents
- Time for bidding and award execution
- Responsiveness of contractors
- Cost to perform the work
- Ability to handle scope changes
- Contractor's ability to complete each Job Order in a timely manner
- Quality of work delivered

Other Items of Interest

- Can the benefits of the JOC contracting mechanism be quantified? What can be measured?
- Is the contracting community willing to accept JOC?
- What other transportation activities could be effectively contracted through JOC?
- Can JOC contracts be scoped to meet Federal-aid requirements for additional assets? Can JOC be used for federally-eligible highway preservation and maintenance projects?
- How best can Federal requirements such as Buy America, Changed Condition clauses, Davis-Bacon wage rates, and MWBE participation be met?

Reporting

- NJDOT Bureau of Bridge Maintenance Engineering and Operations will submit an annual status report to FHWA.
- NJDOT Bureau of Bridge Maintenance Engineering and Operations will submit a final evaluation report to FHWA within four months after completion of the pilot program.