



# Memorandum

U.S. Department  
of Transportation

**Federal Highway  
Administration**

Subject: **ACTION:** Use of Job Order Contracting (JOC) Method  
Under Special Experimental Projects No. 14 (SEP-14)

Date: February 5, 2013

From: **/S/** Gerald Yakowenko for David A. Nicol  
Director, Office of Program Administration

Reply to  
Attn. of: HIPA-30

To: Kevin W. Ward  
Division Administrator  
Jefferson City, MO

This is in reference to Scott Bowles's January 28<sup>th</sup> email that forwarded a request from the Missouri Department of Transportation (MoDOT) to evaluate the JOC delivery method on a programmatic basis for various preventive maintenance projects under SEP-14.

Under this method, MoDOT will provide prospective bidders with a catalog of preventive maintenance work types with pre-established unit prices that include the costs of material, equipment and labor. Contractors will bid adjustment factors for their anticipated overhead, profit and any other costs related to the work items. The contracts are awarded to the lowest responsive bidder based on estimated quantities and adjusted bid prices. As the quantities and specific locations of the work are unknown at the time of bidding, the FHWA considers the JOC delivery method to be experimental.

Since this is a programmatic waiver, please inform MoDOT that a single annual evaluation of all projects included in the programmatic approval will be required. MoDOT should plan to annually evaluate and compare the actual cost of the work to the estimated prices for similar contract work types. It would also be helpful to other states if Missouri evaluated the cost effectiveness of using catalogue prices with adjustment factors.

You may use your discretion in providing any limitations regarding the number of Federal-aid projects included under this programmatic approval.

This waiver is approved under our SEP-14 innovative contracting experimental program. Thank you for the opportunity to review and comment on this SEP-14 request. Should you have any questions, please contact Gerald Yakowenko at (202) 366-1562.