

Job Order Contracting (JOC) Best Practices

Custom or Co-op?

Which JOC program is right for you?

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Agenda

- Job Order Contracting (JOC) overview
- JOC types
- Implementation considerations
- Q&A



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An aerial photograph of Minneapolis, Minnesota, featuring the city skyline with various skyscrapers and the prominent St. Paul's Cathedral with its large dome. In the foreground, a multi-lane highway with several overpasses is visible, with cars driving on it. The sky is blue with scattered white clouds. An orange graphic element, a large triangle with a rounded corner, is positioned on the left side of the image, partially obscuring the city view.

JOC Overview

Different Delivery Methods for Different Projects

In-house Staff

Construction
Management
at Risk (CMAR)

Unit Price
Contracts

Design-Bid-
Build (DBB)

Time and
Materials
(T&M)

Design-Build
(DB)

Job Order
Contracting
(JOC)

Job Order Contracting (JOC)

Definition

- Indefinite delivery/indefinite quantity process (IDIQ)
- Enables facility owners to complete a substantial number of individual projects with a **single, competitively-awarded bid**
- Construction tasks are based on **preset costs in a Unit Price Book (UPB)**
- Contractors bid an Adjustment Factor to be applied to **UPB**, resulting in on-call, competitively bid and awarded contractors that are available to perform work at agreed upon prices

Value

- Saves time and administrative costs on construction procurement
- Provides transparent and auditable procurement process that ensures diversity/inclusion
- Fundamentally different construction procurement relationship
 - Contractors are subject to different motivators and behavior
 - Non-adversarial relationship between owner and contractor

JOC Benefits

Simplifies the procurement process

Reduces change orders

Improves the quality of work

Faster response time

Fully transparent process

Saves time and money

Eliminates negotiations with preset pricing

Increases local subcontractor participation



JOC Research

JOC Research

- Are solicitation, transaction and coordination efforts different when implementing JOC compared to other delivery methods?
- How do contractor relationships and contract governance differ when using JOC compared to other delivery methods?

JOC Saves Time and Resources

In 2021, Gordian and NIGP: The Institute for Public Procurement partnered to close the industry's JOC knowledge gap.



12+ weeks
with traditional
delivery methods



5+ people involved
with traditional
delivery methods



<12 weeks
with Job Order
Contracting



<4 people involved
with Job Order
Contracting

JOC Research Results

JOC enables greater contract governance and relationships

- Guarantees buyers more effective governance of contractor relationships
- Results in **better communication, enhanced trust and fewer opportunistic behaviors for better project outcomes**
- Motivates contractors to meet and exceed expectations

Ideal Projects

The JOC sweet spot: routine, simple projects



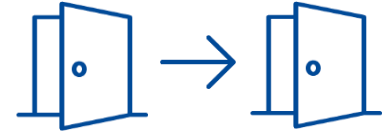
Straightforward
new construction



Repairs



Renovations



Replacement
in-kind



Maintenance



Emergency
work



Time sensitive
projects



Alterations

Accessing a Gordian JOC Program

Custom Program

- Your organization holds the master contract
- Unit Price Book developed specifically for your organization
- Your organization determines the contract details
- Your organization conducts contractor outreach, advertises bid and conducts the pre-bid conference
- Job Order Contracts are awarded based on your organization's requirements/terms
- Awarded contractors are "on-call" for the duration of your contract

Cooperative Purchasing Networks or Interlocal Agreements

- The Cooperative holds the master contract
- Locally bid following local procurement laws
- Unit Price Book developed for a specific region/area
- The Cooperative determines the contract details
- The Cooperative conducts contractor outreach, advertises bid and conducts the pre-bid conference
- Job Order Contracts are awarded based on the Cooperative's requirements/terms
- Awarded contractors are "on-call" for any participating organizations for the duration of the contract
- May include cooperative administrative fees

Factors To Consider

Annual
Volume

Staffing and
Resource
Availability

Procurement
Restrictions

Cooperative
Availability

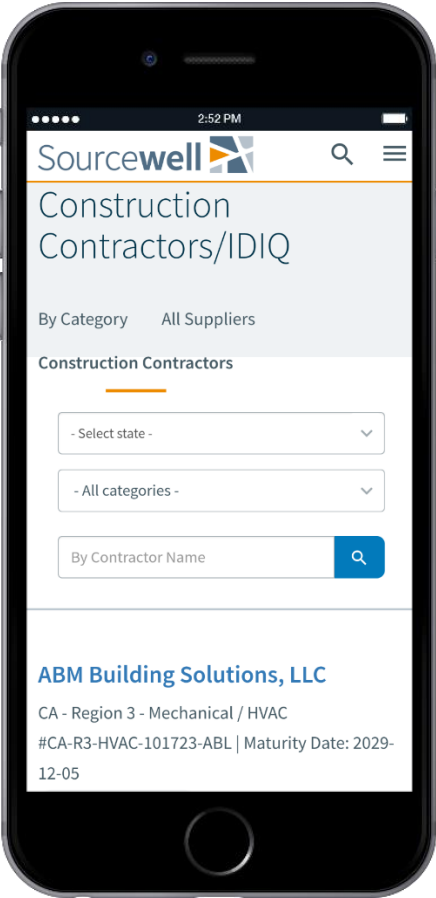
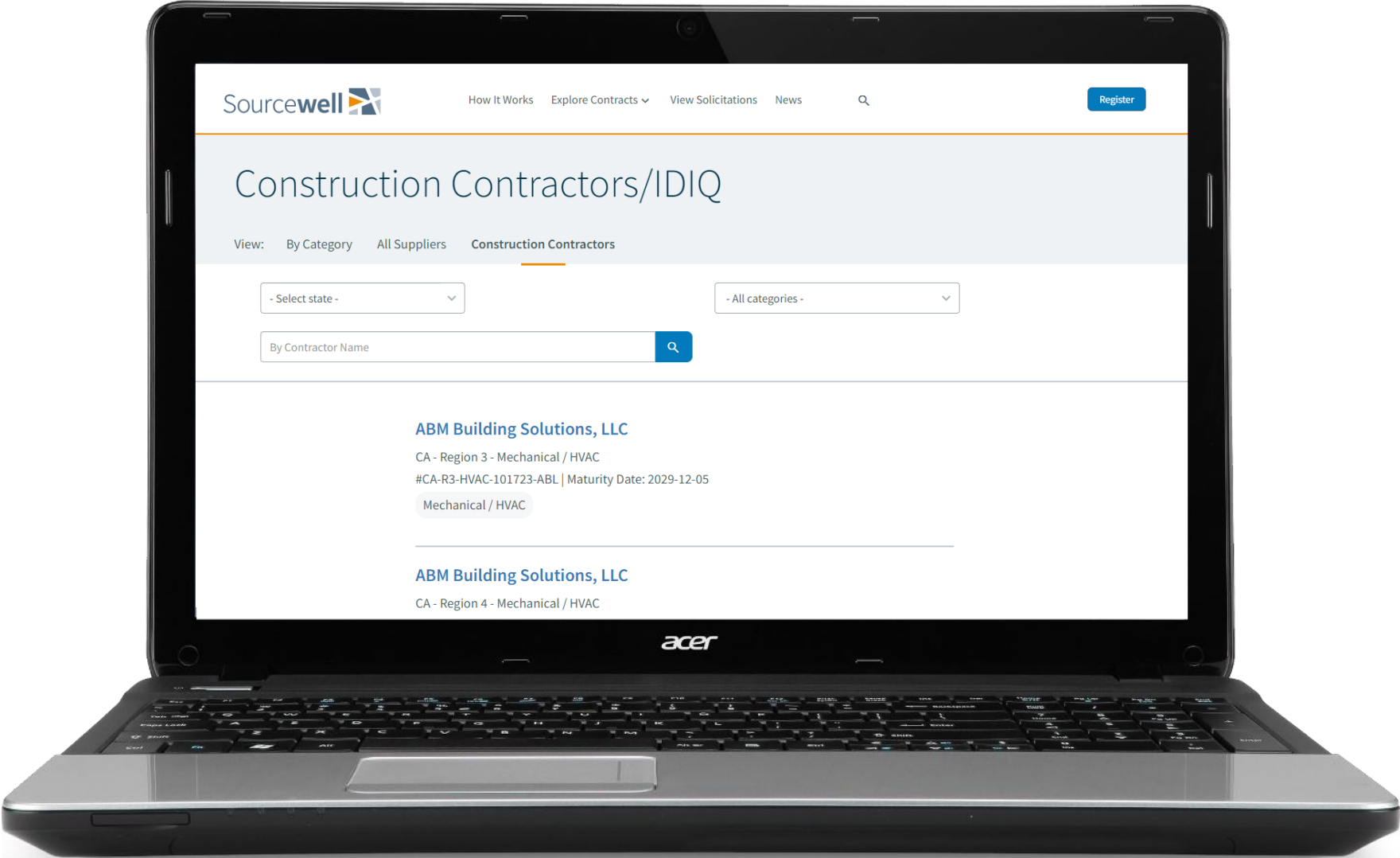
Contract
Types

Local, MWBE
Contractor
Participation

Federal
Funding

Maintenance
Backlog

Where To Find Construction Contractors



Questions?

Thank you!

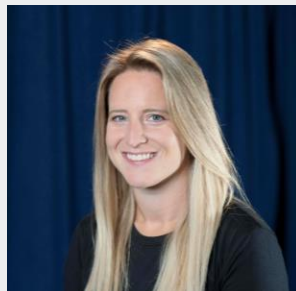


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