



City Colleges of Chicago Job Order Contracting Overview

Low Voltage – MWJ2101

Michael Judd





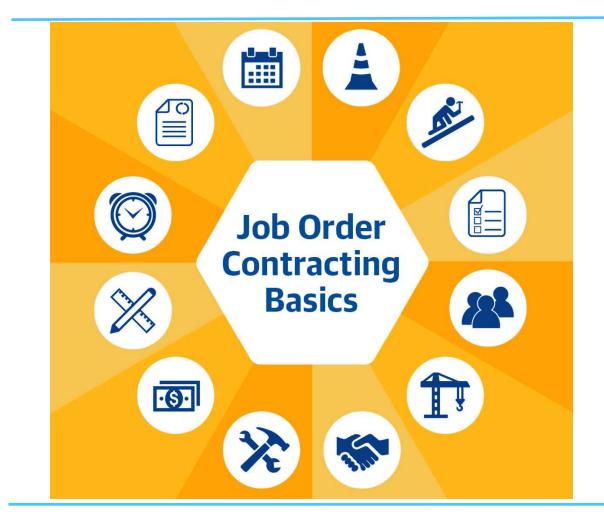
Agenda

- JOC Program/Overview
- The Contract Documents
 - Understanding the Construction Task Catalog[®] (CTC)
- Bidding the Contract
 - Calculating the Adjustment Factors
 - Bid Considerations
- Questions



What is JOC?





Job Order Contracts are: Firm, fixed price, competitively bid, indefinite quantity, delivery method designed to produce a large number of multi-traded, repair and rehabilitation projects, as well as minor new construction projects quickly.

•Firm, Fixed Price: Construction Task Catalog[®] of prepriced work tasks.

•Competitively Bid: all bidders submit a set of adjustment factors to the fixed prices in the Construction Task Catalog[®].

•Indefinite Quantity: no projects are identified at the time of bidding. Contract is for a fixed term and has potential maximum dollar value.



JOC Overview: The JOC Process

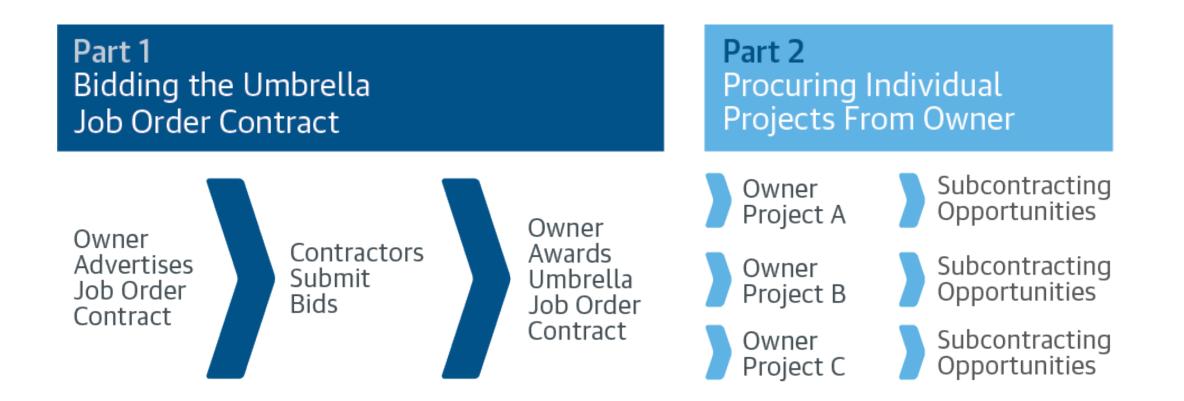






Umbrella Contract







JOC Overview: Why JOC Works For Contractors



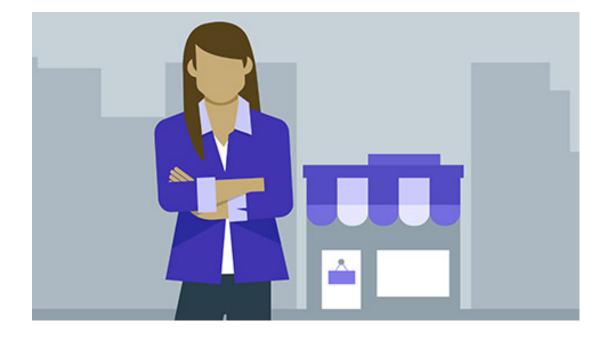
- Good work is rewarded with more work
- Long-term relationship with CCC
- Ability to leverage Subcontractor and Supplier relationships
- Ability to sell value, not just compete to be the lowest price
- Reduced Risk
- Build bond capacity
- Larger presence and enhanced reputation in the local community





JOC Overview: Why JOC Works For Facility Owners





- A Fixed Priced, Fast Track Procurement Process
- Job Orders are Lump Sum
- The Ability to Accomplish Multiple Projects with a Single Competitively Bid Contract
 - Future Purchase Orders Tied to Contractor Performance
 - No Obligation To Award Specific Projects
 - CCC can Use All Other Methods For Accomplishing Projects
- Increases use of local M/WBE businesses
- Increases Transparency
- Schedule Flexibility













- Volume II: Job Order Contracting (JOC) Standard Terms and Conditions
- Volume III: The Construction Task Catalog®
- Volume IV: The Technical Specifications®
- Volume V: CCC Cabling Standards





Bid #MWJ2101 - Electrical Low Voltage Services - JOC City Colleges of Chicago

VOLUME I

REQUEST FOR SEALED BID

NO. MWJ2101 ELECTRICAL LOW VOLTAGE SERVICES JOB ORDER CONTRACTING (JOC)

ISSUED BY

CITY COLLEGES OF CHICAGO BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508 180 N. WABASH AVENUE CHICAGO, IL 60601

JANUARY 12, 2021

Juan Salgado, Chancellor Jacinta Epting, Associate Vice Chancellor – Business & Procurement Services

NOTICE

SEALED BIDS ARE DUE FRIDAY, FEBRUARY 5, 2021, BY 12:00 P.M. TO: DAWSON TECHNICAL INSTITUTE DEPARTMENT OF PROCUREMENT AND BUSINESS SERVICES 3901 S. STATE STREET, ROOM 102 CHICAGO, IL 60609 AND WILL BE OPENED AND READ PROMPTLY AT 12:15 P.M. VIA ZOOM (Delivery/drop-off of bids are accepted at the rear parking lot building entrance from 9am - 3pm Monday thru Friday. Bids are due by the due date deadline and time.)

City Colleges of Chicago iii January 12, 2021

Volume II: Job Order Contracting (JOC) – Standard Terms and Conditions

- Terms and Conditions for Construction
- Instructions and Execution Documents

Volume V: CCC Cabling Standards

- Cabling Standards specified by CCC
- Procurement to review Volume II & Volume V in more detail





Volume III: The Construction Task Catalog®

- 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







Volume III: The Construction Task Catalog®

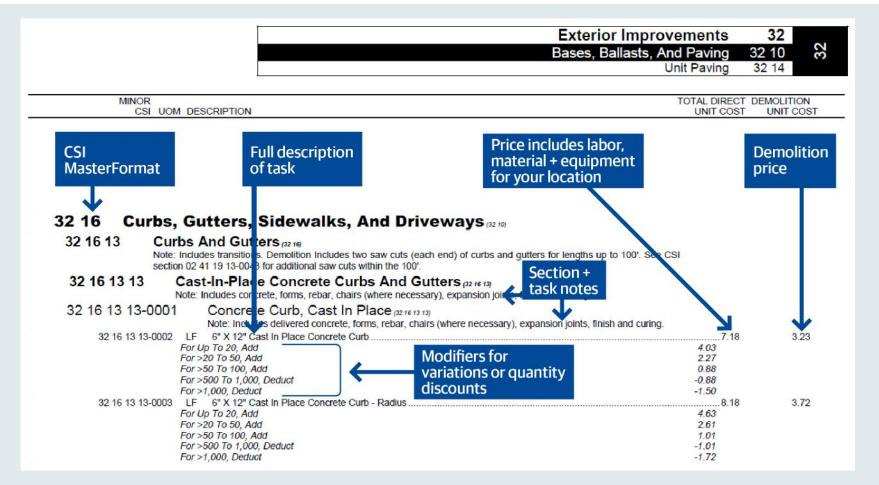
- Contractor must review and understand "Using the Construction Task Catalog[®]"
- Rules of the game
- Make sure you get paid for all appropriate tasks
- Pages 00 1 to 00-7 of the CTC

	Using The Construction Task Catalog®
About the CTC:	EQUIPMENT COSTS:
D This Construction Task Catalog® (CTC) was	Equipment costs include all equipment required to accomplish the task.
developed and customized by The Gordina Group, Inc. specifically for Owner , priced locally using current labor, material and equipment costs, and published in Month 2017.	Mobilization is included for all equipment except large equipment (e.g. cranes, buildozers, excavators, backhoes, bobcats etc.), which exclude mobilization.
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	 Equipment costs include all operating expenses such as fuel, electricity, lubricants, etc.
and other proprietary information and software for any other purpose, or for any other entity, is	MATERIAL COSTS:
expressly prohibited without the express written consent of The Gordian Group, Inc.	Material costs include the cost of the material, delivery, and all incidentals and accessories integral to the installation.
MasterFormat TM	Material costs include manufacturer's and/or fabricator's shop drawings.
Interface The tasks in this Construction Task Catalog are organized using CSI's MasterFormat.	Material costs for roofing, drywall, VCT, carpet, wall covering, ceiling tile, pipe, conduit, concrete, etc. include an allowance for waste. This list is not
Machine Frenche a produced porty by CSI and Construction dependentions Canada (CSC) U.S. copylight is held by CSI and Canadian copylight by CSC. All Rights Reserved: Fer increase information corparal CSI are constructions for exercision information contract CSI are constructions.	intended to be all inclusive, but descriptive of the types of construction materials that are typically sold in standard lengths, sizes and weights.
rearray man being MasterFormat viat www.MasterFormat.com	Material costs for imported materials (e.g. aggregate, sand, soil, etc.) include delivery up to 15 miles from the closest approved source.
The Unit Prices Include:	
LABOR COSTS:	The Adjustment Factors Include:
Labor costs include direct labor through the working foreperson level at straight-time prevailing wage rates including fringe benefits and an allowance for	The Adjustment Factors include the following costs, unless specifically excluded by the terms of the Contract Documents:
Social Security, Medicare taxes, worker's compensation, unemployment insurance, and	BUSINESS COSTS:
employee benefits.	Office overhead, including, but not limited to, office organization office and management
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; lavout;	space, office equipment, office and management personnel, office supplies, and employee transportation.
measuring and cutting to fit; performing the task;	Insurance and bonding.
disposal of excess material; and time for lunch and breaks.	Profit.
Month 2017	copyright @ 2017 The Gorden Group, Inc.
Owner	Page 00 - 1



The Contract Documents: Construction Task Catalog[®]







The Contract Documents: Construction Task Catalog[®]



Understanding the Construction Task Catalog[®]: Include All Appropriate Tasks in Sample Projects

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



The Contract Documents: Construction Task Catalog®



Understanding the General Rules of the Construction Task Catalog[®]:

- Unit Prices are for Complete and In-Place Construction
- Unit Prices Include Labor, Material and Equipment. Do Not Add Labor to Repointing Task.
- Unit Prices Include the Cost of Delivery to Project Site, Unloading, Storage and Handling. Delivery Height is up to 2 ½ Stories
- Unit Prices Include Testing, Calibration, Balancing Etc. for New Work
- Unit Prices Include all Fasteners, Bolts, Anchors, Adhesives Etc. For New Work
- Unit Prices for Tasks Such as Windows, Doors, Frames, Countertops Etc. Include Sealant and Caulk

G⊗RDIAN°	Using The Construction Task Catalog®
About the CTC:	EQUIPMENT COSTS:
This Construction Task Catalog® (developed and customized by The Gori Inc. specifically for Owner, priced to current labor, material and equipment published in Month 2017. The Gordan Group, Inc. licenses the CTC and other proprietary information and for the sole purpose of providing Contracting services to Owner. Use o and other purpose, or for any other expressly prohibited without the expn consent of The Gordan Group, Inc.	Ian Group, Ban Group, Booking and the second secon
MasterFormation Image: The tasks in this Construction Task (organized using CSI's MasterFormat) Image: The tasks in this Construction Task (organized using CSI's MasterFormat) Image: The tasks in this Construction Task (organized using CSI's MasterFormat) Image: Task (organized using CSI's MasterFormat)	intended to be all inclusive, but descriptive of th types of construction materials that are typical
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Labor costs include unloading equipment and tools, and transporting the same up 1/2 stories and 125 to reach the project measuring and cutting to fit; perform disposal of excess material, and time for breaks.	or down 2 personnel, ortice supplies, and employe site; layout; transportation. g the task; II insurance and bonding.



The Contract Documents: Construction Task Catalog®



Understanding the General Rules of the Construction Task Catalog[®]:

- Demo Price Includes Loading into Truck or Dumpster.
- If Item Demolished as Part of Different Task, It will Not be Paid for Separately
- Contractor Paid for Installed Quantities Only. Waste is Included in Unit Price
- Assembly Prices take Precedence over Component Pricing
- 14' Working Height for All Work Except Masonry
- 4' Working Height for Masonry
- Dumpsters are a Separate Task



G ⊘ RDIAN°	Using The Construction Task Catalog®
About the CTC:	EQUIPMENT COSTS:
E 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 2017. E The Gordian Group, Inc. licenses the use of this CTC and other proprietary information and software for the sole purpose of providing Job Order	 Equipment costs include all equipment required accomplish the task. Mobilization is included for all equipment exci large equipment (eg. cranes, buildoze excavators, backhoes, bobcats etc.), which exclu mobilization. Equipment costs include all operating expens such as two, electricity, lubriconts, etc.
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Month 2017	copyright @ 2017 The Gordian Group,

The Contract Documents: Construction Task Catalog[®]



Understanding the General Rules of the Construction Task Catalog[®]: Contractors Never Get Paid Separately For the Following

- Moving and Returning Furniture Occupying Less than 55% of Floor Area. For Example, Moving Classroom Furniture to Paint
- Labor for Protecting Work in Place. For Example, a Laborer to Stay After a Concrete Pour
- Minor Barricades and Signage
- Portable Toilet, Field Office, Field Office Equipment for Contractor's Use
- Layout, Site Engineering for the Work Itself

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March 2017 occyngreso 2017 The Gordan Group, P	Мо	nth 2017		ocpyrlight € 2017 The Gordian Group, In



The Contract Documents: Non Pre-Priced Tasks (NPP)



- Contractor must have permission from CCC to use 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:

For Work Performed with the Contractor's Own Fo	orces:
A = Direct Labor Cost (Up through the foreman level a Benefits per Davis Bacon Rates plus payroll ta insurance)	÷
B = Direct Material Costs (supported by three quotes suppliers)	from material
C = Direct Equipment Costs	
Total Cost for Unspecified Services that are self-perfection 110%	ormed = (A+B+C) x
For Work Performed by subcontractors:	
D = subcontractor Costs (supported by three quotes fr subcontractors)	om
Total Cost for Unspecified Services that are subcontra	acted = D x110%





Volume IV – The Technical Specifications[®]

- Specifies Quality of Materials and Workmanship
- Corresponds with Tasks in Volume III-Construction Task Catalog[®]









Bidding on the Contract Adjustment Factor



Calculating the Adjustment Factors: Method to Calculate



- Replace Existing Cameras
 - Demo existing exterior (1) and interior (1) camera. Replace with model XXXX. Use existing wiring.
 - Normal Working Hours Apply



- 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



Calculating the Adjustment Factors: Sample Price: CTC vs. Quote



Direct Cost of Work from <u>CTC</u>

Direct Cost of Work from Quotes or Estimates

- Replace Camera(s) \$ 9,755.73
 - ,755.73
- Replace Camera(s) \$ 9,500.00
- TOTAL = \$ 9,755.73 TOTAL = \$ 9,500.00



Calculating the Adjustment Factors: Sample Price: Putting it all together



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• Adjustment Factor (= E / F) = 1.2198

*Sample Only. Contractor to determine O/H & Profit. <u>Prepare this calculation for more than one sample project</u>.





Annual Price Adjustment

- Applied annually on the anniversary of the Award Date
- Based on CCI (City of Chicago) published by Engineering News Record
- Calculation (Based on Month of Solicitation Bid Due Date)

Average CCI for Current Year	=	The % Increase or Decrease in
Average CCI for Base Year		Construction Costs

- Percentage x Original Adjustment Factors = New Adjustment Factors for Next Year
- Applies to the Normal Working Hours Adjustment Factor
- Applies to the Other than Normal Working Hours Adjustment Factor





- 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 Might be Canceled
 - Margins on CTC Tasks Vary
 - Some Projects are More Profitable than Others
 - Maintain a Fully Functioning Local Office
 - Hold Required Licenses





Importance of Contractor's Adjustment Factors

- Determines Lowest Bidder AND
- Used to Price Individual Work Orders
- Price Proposal Total Becomes the Lump Sum Job Order Price

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

Total Job Order Price







Risks of Low Adjustment Factors

- 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 your Margin



G P D I A N [®] Building knowledge

Questions