



Urban Construction Initiative

10-21-2014

Russ Dudley
Assistant Division Administrator
Local Systems and Projects
Local Assistance Division

Innovative Contracting Current and Pending

Investigating Streamlining in Procurement – 2014/2015

- **Job Order Contracting**
- **Small Purchases for Professional Procurement**

Job Order Contracting/ Indefinite Delivery

Definition: The combining of like projects into one contract that is administered by the owner/agency.

These projects are competitively bid with indefinite quantity and indefinite delivery at fixed unit construction prices.

Currently not a standard/approved approach for federal aid construction projects; approved on a case-by-case basis as a Special Experimental Project – Innovative Contracting

How is Job Order Contracting Different from Traditional Contracts?

Two Ways

1. **Job Order Contracts cover a variety of similar types of construction including: maintenance, repair, renovation, and traffic control projects that are combined under a single contract at fixed unit prices.**
2. **The contracts are in place before the owner identifies where and when the work is to be done. These contracts are based on a minimum yearly amount of work as long as the contractor performs acceptable work.**

Advantages of Job Order Contracting

Lower costs

Quantities are larger by combining similar projects, therefore resulting in lower unit bid prices.

Incentives for quality

The contractor is motivated by the fact that they will continue to receive work so long as their performance is satisfactory.

Less owner time and administration cost required

Several projects can be accomplished under one contract.

Opportunities for small disadvantaged businesses

Small firms that can't compete for larger construction projects can provide services required by individual job orders.

Latest

FHWA Approval for SEP for Fairfax County

SEP-14 Active Project List (not including design-build prior to 1/1/2003)

Sort table by clicking on column header

State	Contracting / Project Delivery Technique	Brief Description / Location	Workplan	Evaluation
TX	Lump Sum Bidding and No Excuse Incentives	Central Texas Regional Mobility Authority's 290 East Toll Project	April 20, 2009	January 03, 2014 (.pdf)
UT	Construction Manager / General Contractor	Statewide use of CMGC (aka Construction Manager-at-Risk contracting) on various projects	December 13, 2004	April 17, 2010
UT	Expedited Delivery Contracting	Programmatic Approval	August 22, 2011	January 28, 2013 (.pdf) January 29, 2014 (.pdf, 0.4 mb)
VA	Basic Ordering Agreement contracting (similar to Indefinite Delivery/Indefinite Quantity contacts)	Fairfax County DOT - county wide transit, pedestrian and bicycle projects	August 22, 2014 (.pdf)	
VA	Public Private Partnership Project Delivery	Capitol Beltway HOT Lanes Project	April 22, 2005	September 01, 2008 March 01, 2009
VT	Task Order Contracting / Maintenance Rental	Using Maintenance Rental Agreements for	February 06,	

Small Purchasing for Professional Procurement

Procurement of federal aid Professional Services without the Brooks Act? (Maybe)

Small purchase/simplified acquisition and noncompetitive procedures may be utilized under limited conditions applicable to each method (as specified in 23 CFR 172.5(a)(2)-(3)).

For small purchase procurements, State and local public agencies must follow the State's laws, regulations, and procurement procedures which are not in conflict with applicable federal laws and regulations (as specified in 23 CFR 172.5(a)(2) and 49 CFR 18.4 and 18.36(a)).

Questions