Case Study #201

USACE – Job Order Contracting (JOC)

Overview
The United States Army Corps of Engineers (USACE) was approached to establish a Job Order Contracting (JOC) program to assist in construction projects associated with ongoing Sustainment, Restoration, and Modernization (SRM) work. As a result, USACE awarded a JOC to an 8(a) Contractor.

Problem/Need
Approximately eighty (80) potential JOC projects were identified – subsequently narrowed done to forty-two (42). The problem was clear: How could USACE estimate, negotiate, and award all of these projects, valued at approximately $3.96 million in work, before the close out of the fiscal year?

The Solution and Results
USACE procured e4Clicks Project Estimator™ software, associated training, and support services from 4Clicks Solutions, LLC (4Clicks). In order to best support USACE, Bruce Sarty, Director of Training, 4Clicks Solutions, LLC and Mark Powell, President and Founder of Job Order Contract Group, LLC, a 4Clicks business partner, agreed to travel to the USACE location. Mark and Bruce conducted site walks and assisted USACE with cost estimating and associated Technical Evaluations – all within an eight (8) day time period.

The e4Clicks Project Estimator software, the Premier version developed specifically for Owners, helped the USACE integrate proven JOC/SABER estimating, delivery, and technology processes into the USACE District's JOC program. 4Clicks also provided estimating training, and assisted with the majority of the independent government estimates (IGEs) for the assigned task orders as noted.

The USACE was able to successfully meet its end-of-year requirements.

Source: WWW.4Clicks.com

Products and Services Used

- e4Clicks Project Estimator
- RSMeans Facilities Electronic Cost Book, enhanced by 4Clicks
- 4Clicks Professional Services
- 4Clicks Training Services

About Job Order Contracting
Job ordering contracting is an innovative and streamlined Indefinite Delivery/Indefinite Quantity (IDIQ) procurement technique designed to provide responsive facility sustainment, restoration, and modernization (SRM) work for Military/DOD installations.

JOC is intended to significantly reduce engineering and procurement lead-times by awarding a competitively bid, firm-fixed price, IDIQ contract to a single general contractor for execution. The contract consists of detailed task specifications for a multitude of real property maintenance activities encountered within a specific geographical area.

Job order contracting has proved a responsive and efficient method for accomplishing quality construction work.

Successful JOC programs rely upon realistic processes and methods, and effective team work.

This requires an understanding of the fundamental methodology and its strengths and weaknesses. JOC is most successful when applied to the general contracting / construction situations for which it was designed.

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Recommendations

- The JOC program should be managed with a three (3) person Project Delivery Team: a dedicated Project Manager, Contracting Specialist, and Engineer Cost Estimator.

- Assign a primary and secondary "JOC Specialists" from Contracting, Project Management, Engineering, and Construction. All pre-award communication, managed by Contracting, to streamline the pre-award effort, produce contracts that are easily administered, and offer the best value to the customer.

- A formal RFP should be sent to the contractor, with a proposal submission deadline and tentative date for a site visit, including detailed scopes of work (prepared by project manager or contractor, pictures of site conditions, and sketches/drawings to minimize "scope creep" and post award modifications).

- Technical Evaluations (TE) should be completed by the same person who developed the Scope of Work (SOW) and attended the site visit. The TE is a written record or audit trail of line item that needs to be omitted and or changed in any way. Notes may be added explaining the change to a line item or one that is omitted.

- The Project Manager needs to be familiar with the JOC base contract, RSMeans, and the Contractor's coefficient in order to provide resolution during negotiations.

- Establish clear lines of pre/post award communications to promote teamwork, quality, and exceptional service at reasonable costs.

- Conduct JOC and associated training to facilitate JOC administration and execution performance.

Lessons Learned

- The JOC process is quite different from standard construction, AE, and service acquisition processes.

- All Contractor proposals need to contain sufficient line item details and notes to communicate to the technical evaluator the means and methods, presumptions, etc.

- A better IGE will facilitate better negotiations and provide the Contracting Officer with a better understanding of the estimated work.

- An IGE must be developed, reviewed, and approved before receipt of contractor proposals (in accordance with PIL 2012—03-R1).

- All Contractor proposals shall be submitted directly to the Contracting Officer. Upon receipt of the IGE from the Project Manager, the proposal will be released to the Owner; in order to perform the Technical Evaluation.

Conclusion

The JOC process is a high performance delivery system for facility SRM work. The process is more efficient and timely than conventional construction and acquisition methods.

To increase the level of the District's JOC performance and teamwork, the JOC program must have a dedicated Project Delivery Team (PDT), clear lines of communication, and provide adequate training to personnel involved.

A seasoned JOC contractor coupled with efficient and effective JOC delivery process and PDT will provide complete customer satisfaction, quality construction, and timely execution.