

 <div> PA TURNPIKE COMMISSION POLICY <i>This is a statement of official Pennsylvania Turnpike Policy</i> </div>		NUMBER: 7.12 APPROVAL DATE: 05-20-2014 EFFECTIVE DATE: 06-05-2014 REVISED DATE: 08-16-2022
POLICY SUBJECT: Job Order Contracting	RESPONSIBLE DEPARTMENT: Engineering / Facilities Operations	

A. PURPOSE:

This policy letter governs the procurement of construction related services (including renovations, repairs, upgrades, additions, and new construction) via the Job Order Contracting (JOC) Program. JOC is an indefinite delivery/indefinite quantity method of delivering construction projects that allows the Pennsylvania Turnpike Commission ("Commission") to accomplish a high volume of construction related service projects with a single, competitively bid contract. Several smaller projects can be completed more expeditiously under the umbrella of competitively bid, pre-established contracts which are bid by District. The policy seeks to ensure that:

- The need to determine which projects should be completed using the JOC process or the traditional design-bid-build process has been validated.
- The Commission receives the best value for the work requested by obtaining an independent cost estimate for projects over \$500,000.
- JOC Contracts are created and executed in a consistent manner and in compliance with all Commission policies and procedures and with all other applicable laws.
- Proper financial, legal and Commission reviews and approvals are conducted and obtained.

B. SCOPE:

This Policy Letter applies to all JOC contracts entered into by the Commission. Contracts covered by this Policy Letter shall be classified according to the following contract topics:

1. General
2. HVAC
3. Electrical
4. Plumbing

C. GENERAL POLICY:

The JOC Contracting Program is designed to procure quality construction services in a timely manner at a competitive price. The JOC Program supports the Commission's said goals by having competitively bid and pre-selected JOC Contractors readily available to perform smaller projects within specified Commission Districts in a timely manner without the need to competitively bid each project separately.

D. DEFINITIONS:

JOC Contract: A type of written agreement, regardless of what it may be called, for the procurement or disposal of supplies, services or construction and executed by all parties. Each of the five Commission Districts has a contract for each of the four (General, Electrical, HVAC, and Plumbing) contract topics. Approximately every 3-4 years, each contract topic is competitively bid in each District resulting in four separate JOC Contracts per District. The JOC construction contracts are built around a Construction Task Catalog (CTC), Technical Specifications, and Bid Documents. A contractor's bid on the JOC Contract consists of adjustment factors to be applied to the prices established by the CTC. An Award Criteria Figure is calculated by weighing the bid adjustment factors for straight time and overtime, and each contract is then awarded to the lowest responsible and responsive bidder.

Job Order: A Job Order is a specific project utilizing a particular JOC Contract in a particular District. As projects are identified, the successful JOC Contractor for a specified contract topic prepares a pricing proposal by selecting the appropriate tasks from the CTC and assigning the correct quantities. The total price is then calculated by multiplying each unit price by the required quantity and then multiplying that result by the appropriate adjustment factor. The proposal is reviewed by Commission staff to make sure the contractor selected the correct tasks and appropriate quantities. If the proposal is accurate, then a Job Order (purchase order) can be issued to the contractor for the approved project.

Project: A Project is the proposed work resulting from a Job Order. A project may be singular in nature using one of the JOC contract topics, or it may result in the use of multi-prime contractors using several JOC contract topics. When using several Job Orders to complete a project the aggregated value should be used to create a purchase order against the JOC Contract.

E. PROCEDURES:

The procedure to create a Job Order is summarized as below. The Project Manager shall:

1. Determine if a project is needed.
Are the services of a JOC contractor required?
2. Determine if the project is covered under this policy.
All JOC contracts are covered.
3. Select the topic that applies to the contract.
The JOC Contract Summary Guidelines describes the contract topics in further detail to assist in determining which topic applies to a particular contract situation.
4. If the project is estimated to be less than \$500,000, follow the procedures for that topic in the JOC eGordian Quick Reference Guide in order to issue a Job Order.
The JOC eGordian Quick Reference Guide describes the procedure for each contract topic.
5. If the estimated cost of the Job Order exceeds \$500,000, obtain an independent cost estimate for review and approval by the Chief Engineer and the Chief Operating Officer in order to proceed.

6. If the estimated cost of the Job Order exceeds \$1,000,000, obtain an independent cost estimate for review and approval by the Chief Executive Officer and Chief Operating Officer in order to proceed.
7. Follow the procedures for that topic in the JOC eGordian Quick Reference Guide in order to issue a Job Order against the JOC Contract.
The JOC eGordian Quick Reference Guide describes the procedure for each contract topic.

Except in emergencies, no Job Orders shall be issued nor shall any services be provided or work begun on any contract not processed and approved in accordance with the policies and procedures set forth herein. Emergencies are deemed to be such things as a threat to public health, welfare and safety or circumstances outside the control of the Commission that create an urgency of need which does not permit the delay involved in using more formal competitive methods. Failure to plan, meet upcoming deadlines or procrastination do not constitute emergencies.

This Policy Letter supersedes all previous Policy Letters on this subject.