



*Los Angeles World Airports
Facilities Management Group*



Job Order Contracting

Los Angeles World Airports
Board of Airport Commissioners
May 2, 2011

Agenda

- What is JOC?
- Why now?
- How are JOCs selected?
- Who uses it
- Next steps



What is Job Order Contracting (JOC)?

JOC is a procurement method that:

- Enables owners to complete small construction or repair projects like ADA and system upgrades, interior renovations, and emergency repairs
- Creates a pool of qualified contractors that provide construction/repair services for small projects
- Uses a single, qualification based, competitively bid contract via RFP
- Establishes Job Order Contracts based on a common set of firm, fixed prices

Job Order Contracting will NOT....

- Eliminate any LAWA staff
- Eliminate any services currently being provided by LAWA staff
- Require existing contracts to be amended



Why Now?

- LAX is launching an unprecedented number of new construction projects, each with specific time and budget constraints
- Every construction project produces small, adjacent but unforeseen construction needs
- Today, LAWA is not structured to respond to this short-term spike in construction needs
- JOC is a way to manage multiple, unforeseen, small, projects with lower costs & speedier results



Lower Costs

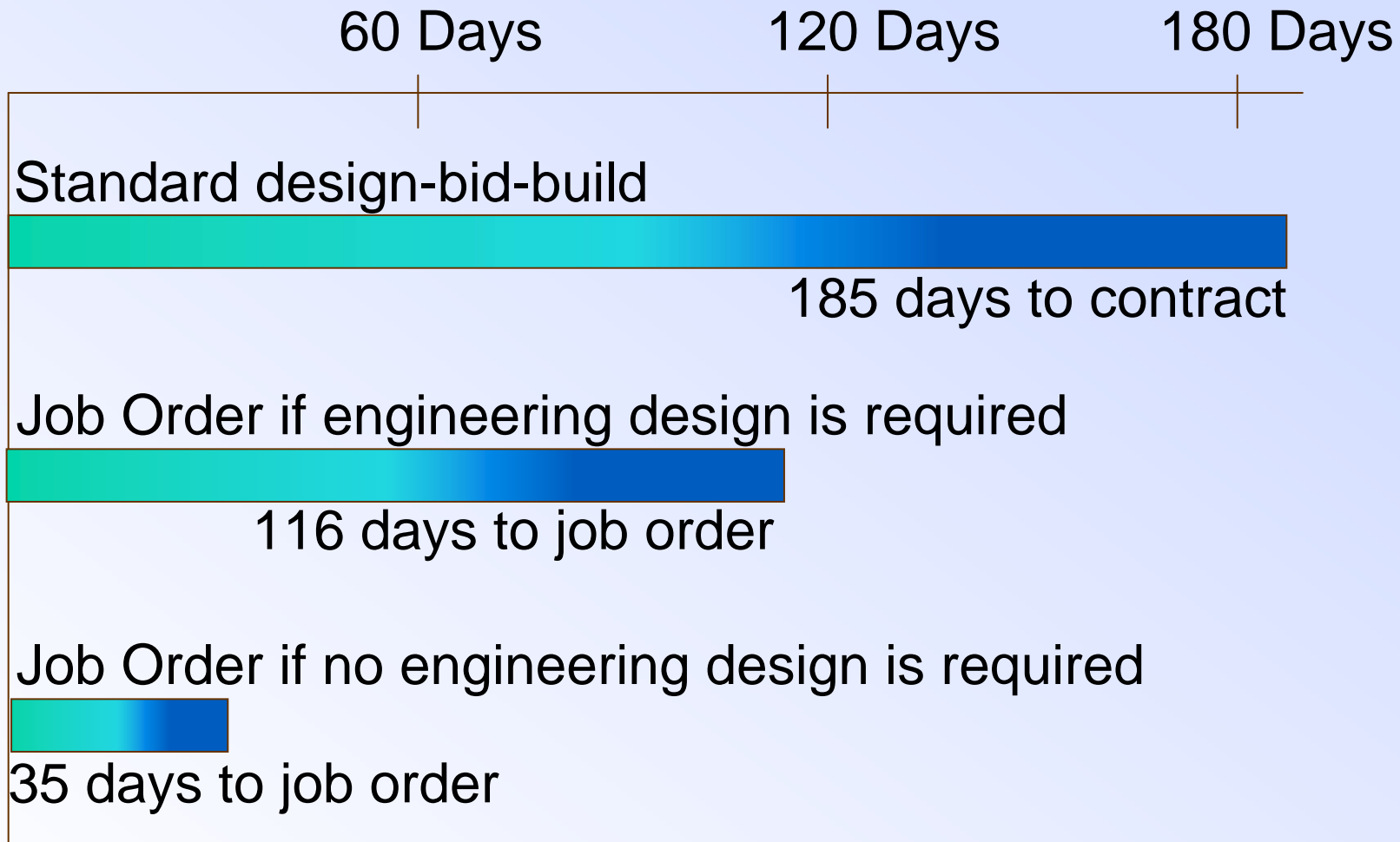
- Job Order Contracting costs are managed using the Unit Price Book (UPB) which establishes a baseline against which Job Order Contractors bid
- These bids predetermine costs for each part of each task (Job Order) given to the contractor for the 3-year period including:
 - Number of crew members and required equipment
 - Daily work output
 - Number of hours
 - Materials
 - All costs including overhead, profit and insurance

Less Time

- Greatly reduced administrative time
- Greatly reduced job preparation time
- Minimal risk to Owner
- Minimal change orders



Job Order Contracting Saves Time



JOC Proposer Evaluation & Selection Based On “Lowest Ultimate Cost”

60% - Qualifications

- Relevant experience in providing specialized services
- Financial ability to work on a major project
- Estimating and scheduling resources
- Safety record
- Professional good standing

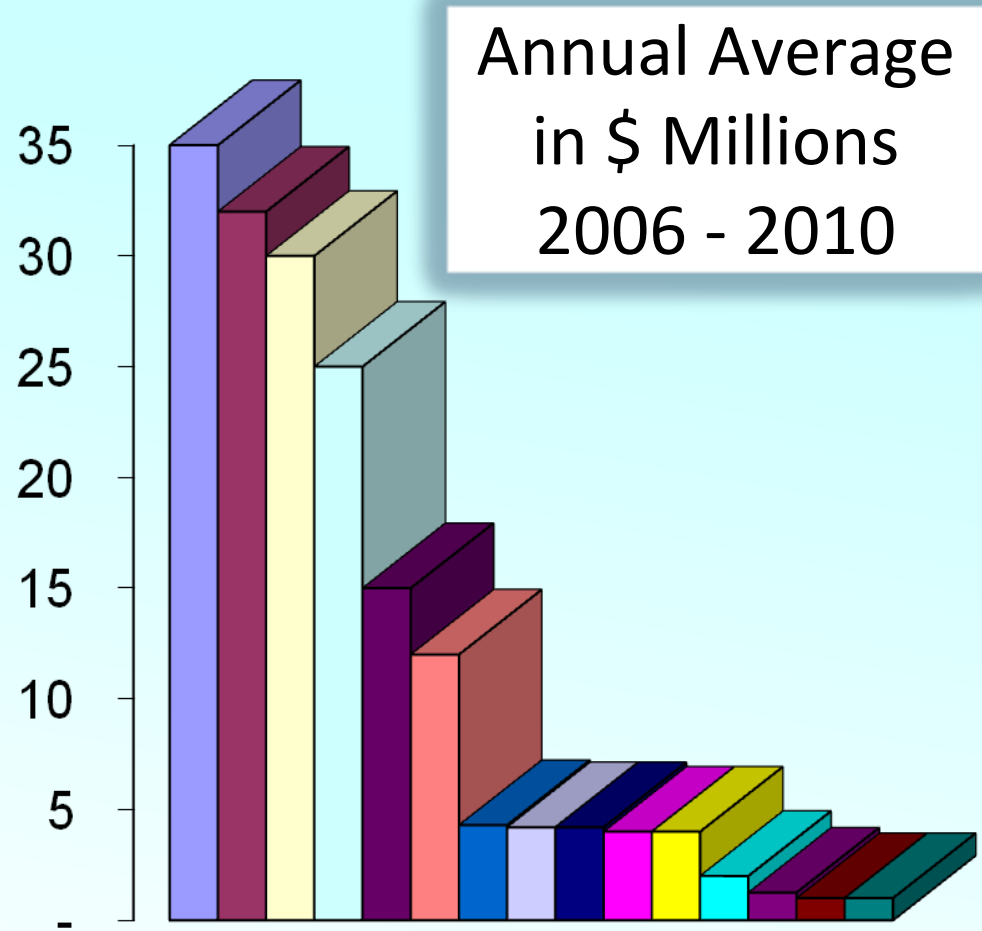
40% - Coefficient Factor

- JOC proposers submit a coefficient factor to be used as a multiplier to the UPB to cover costs for the project

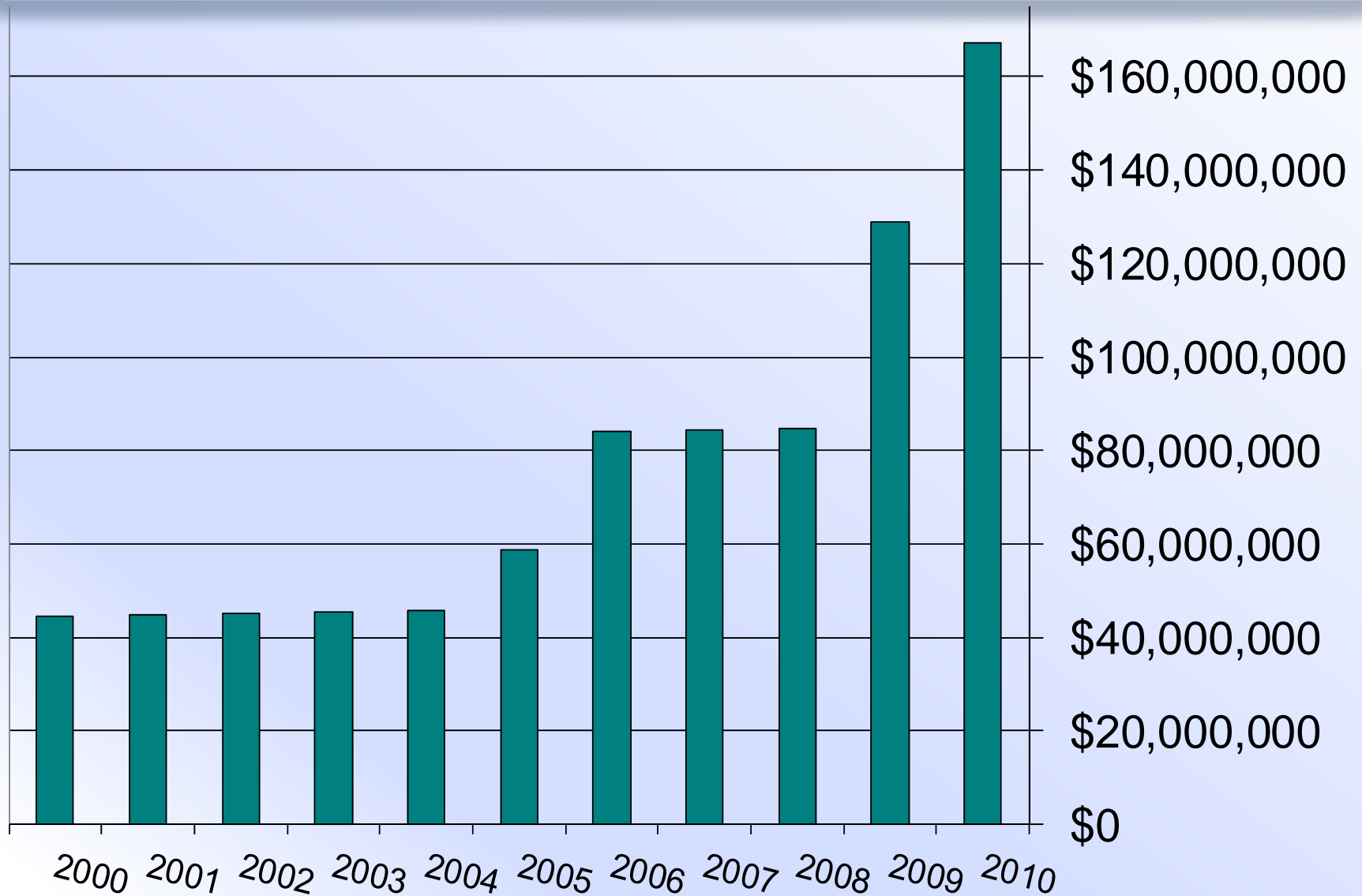
Who Is Using JOC?

In California, Large Public Agencies Are Key JOC Users

- Los Angeles County DPW
- Admin Office of the Courts
- County of San Bernardino
- UC Campuses
- CSU Campuses
- Sacramento County Airport
- Kern County
- San Diego County
- County of San Luis Obispo
- Los Angeles County ISD
- Orange County, Parks
- Orange County Fire Authority
- City of Irvine
- Orange County Public Works
- Ventura County



JOC Popularity in California Continues to Increase



Timeline To Establish Ordinance & Award JOC Contract(s) (Anticipated)

- MAY 2011 BOAC adopts Resolution
- AUG 2011 TCT Council Committee & Council consider/adopt Ordinance
- SEP 2011 Publication and waiting period
- OCT 2011 Ordinance takes effect & RFP released
- NOV 2011 Contractor outreach and pre-proposal meeting
- DEC 2011 Submission of proposals
- JAN 2012 Proposer interviews
- FEB 2012 Proposer selection and negotiations
- MAR 2012 BOAC approval of JOC contract(s)

Job Order Contracting



Questions?