

HOW ARE PROJECTS PRICED?

Mohave JOC contracts use a Unit Price Book (UPB) as the primary method for project pricing. General JOC contracts and specialty JOC contracts use RS MEANS Facilities Construction Cost Data (MEANS) as the UPB. These contracts supplement the UPB with other MEANS cost indexes and the HVACR Trade Service price guide. Fencing JOC contracts use the Mohave Fencing UPB.

The contractor and member determine the project scope. The contractor determines the UPB line items and quantities for the project. The quantity for each line item is multiplied by the unit price, providing the base construction services cost.

For the MEANS UPB only, a city cost index is applied to the base construction services cost.

The base construction services cost is multiplied by a pricing coefficient (i.e., .82) to obtain the net construction services cost.

Items can be added to the UPB under a non-prepriced items procedure.

For general JOC contracts only, the following alternate open book pricing is available. The contractor obtains firm price quotes from subcontractors and determines the firm general conditions cost for the project. General and administrative and profit multipliers are applied to direct project and general conditions cost to provide the net construction services cost.

Bond and sales tax are added to the construction services costs. If requested, professional services costs are added to construction services cost.

WHAT CAN THE VENDORS DO?

Generally, Mohave JOC contractors can perform any construction service listed in the applicable UPB. The UPB for specialty JOC contractors is limited to the awarded divisions of MEANS.

Specialty contractors may perform ancillary services outside of awarded divisions, if required to complete a project. Ancillary work is a minor part of completing a project. Contracting for convenience outside the scope of an award is not acceptable.

If part of the award, a contractor may also provide professional services such as architects, engineers, etc.

KEYS TO SUCCESS

Project Scoping

- Active stakeholder participation.
- Clear & detailed project direction.
- Accurate time estimate to provide scope of work.
- Agreement on scope of work parameters.
- Agreement on project goals & expectations.
- Consensus before proceeding with pricing.
- Clear written scope, including exceptions.
- Flexibility to trim scope to meet budget or other considerations.

Project Pricing

- Understanding that project pricing is a time-consuming, resource intensive endeavor.
- Avoid using JOC as a budgeting source.
- Accurate time estimate for providing price proposal.
- Allow sufficient time to prepare price proposal.
- Control costs by matching design to the project.
- Sharing project budget helps develop a proper scope of work & price proposal.
- Allowing constructability & value engineering input assists in cost control.
- Negotiate a price proposal to receive desired results.
- Ask questions to clarify the price proposal.
- Do not start project without complete agreement on scope & pricing.

Project Performance

- Expect high performance based results.
- Good relationships within the project team.
- On-site project management.
- Appropriate project oversight by member.
- Regular project update meetings.
- Promptly voicing any project concerns.
- Timely scope & price approval to stay on schedule.
- A timely P.O. to stay on schedule.
- Timely response to change order requests.
- Sufficient time to implement change orders.
- Timely walk-through & payment processing.
- Timely permits to avoid project delays.
- Timely project closeout documents.

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Mohave Job Order Contracting

*A guide for a better
understanding of
Mohave's JOC
contracts*

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This document provides guidance for using Mohave Job Order Contracting (JOC).

JOC provides a viable option for many construction requirements. Understanding the requirements for successful use of JOC is essential to achieving successful outcomes.

EXPECTATIONS FOR THE MEMBER

- Ensure that Member's intentions are to use JOC for the work.
- Never use JOC as a shopping service.
- Outline all project parameters for the vendor.
- Inform the vendor of any existing expectations or documents that might impact the project.
- Commit the time & resources required for clear understanding & implementation of the project.
- Walk the project with the vendor.
- Determine project budget & schedule.
- Manage the delivery process and schedule.
- Provide all required project information.
- Communicate any/all specification requirements.
- Review & approve the scope of work & proposal.
- Issue a purchase order for the work.
- Monitor the work & participate in project updates.
- Review completed work & accept the job.
- Timely approve & pay JOC invoices.

EXPECTATIONS FOR THE VENDOR

- Promptly respond to member & meet with member on a timely basis for job walk.
- Provide member with an accurate estimate of time required to provide documents at each step.
- Develop detailed & thorough scope of work for member approval.
- Develop a complete and accurate detailed project price quote.
- Clearly communicate scope, cost & schedule, including any exceptions.
- Provide clear answers to member questions.
- Offer constructability & value engineering ideas for the job when appropriate.
- Manage execution of the work as outlined in the scope of work.
- Invoice in a timely & accurate manner.
- Provide appropriate turnover documents for the job.

EXPECTATIONS FOR MOHAVE

- Provide valid JOC contracts.
- Review member purchase orders & JOC estimates for contract compliance.
- Promptly forward "MESC Reviewed" purchase order to member and vendor.
- Review & forward change orders in a timely manner.
- Monitor the process for contract compliance.
- Assist member & vendor with resolution of contract controversies.

ARE THERE ANY LIMITS?

- No single JOC project may exceed \$1M. Additionally, no project shall be artificially divided to avoid the single project limit.
- Governing bodies of some entities may formally raise the job order limit above \$1M.

HOW DO MEMBERS USE JOC?

- **Meet with vendor to determine project scope.**
- **Obtain a detailed quote from vendor.**
The quote should provide a list of UPB line items, quantities, unit prices, extended costs, total cost before coefficient, and total cost after the coefficient.
- **Prepare a Purchase Order (PO) made out to the vendor and attach vendor's detailed quote.**
- **Forward the PO to Mohave.**
Mohave uses the quote to verify the job was priced in accordance with the contract. Failure to attach the quote will delay the project.
- **Mohave forwards an "MESC Reviewed" PO to vendor and member.**
- **Vendor performs the work after receiving the "MESC Reviewed" PO.**
Starting the project before receipt of an "MESC Reviewed" PO is a contract violation and may result in termination of the contract.
- **Vendor invoices member for completed work.**
Large projects may require progress payments. Decide on progress payments prior to issuing the PO. Make a note on the PO if progress payments will be used.
- **Member pays vendor's invoice.**
Pay promptly. Certain statutory timelines apply to payments made on construction projects. Mohave's admin fee is included in the invoiced amount. The vendor will remit the admin fee to Mohave.
- **For additional information see the Job Order Contracting page on our website, www.mesc.org.**

This page provides additional details about our JOC program and key contact information.