

Job Order Contracting (JOC) State Channel Maintenance Dredging and Associated Facilities Construction and Maintenance 2018

(Dredging Projects Greater than 35,000 cubic yards)

August 2018



New Jersey Department of Transportation

Job Order Contracting (JOC) State Channel Maintenance Dredging and Associated Facilities Construction and Maintenance 2018- Dredging Projects Greater than 35,000 cubic yards.

Pre-Bid Meeting

August 8, 2018

Various Locations: PE No: 6110108CE, No: CE No: 2206554, DP NO: 18740



Pre-Bid Conference Agenda

- NJDOT Overview
- JOC Overview
- JOC Contract Documents
- JOC Process
- · Solicitation Details
- Understanding the Construction Task Catalog® (CTC)
- Calculating the Bid
- Contractor Adjustment Factors
- Bid Considerations & Review
- Risk of Low Adjustment Factors
- Questions



NJDOT Overview

- Using Job Order Contracting since 2014
- · Types Contracts:
 - Bridge Maintenance
 - Statewide Infrastructure Repair
 - Intelligent Transportation Systems
 - Maintenance Dredging Greater than 35,000 cubic yards Pending
- Summary to Date:
 - Approximately \$18,129,045 in Job Orders issued.
 - Over 273 individual Job Orders
 - Average Job Order size is \$69,000
 - Includes Supplemental Job Orders



JOC Overview

- Job Order Contracting is an Indefinite Quantity Construction Contract
 - Gives NJDOT the Ability to Accomplish a Substantial Number of Individual Projects with a Single Competitively Bid Contract
 - On-Call Contractors Ready to Perform a Series of Projects at Different Locations for Competitively Bid Prices
- JOC Introduced in the United States in 1985
 - Dept. of Defense, USPS, NASA, etc.
- Over 1,000 JOC contracts currently in use
- Over \$1.6 Billion in construction placed annually through Gordian JOC solutions



JOC Overview

- New York State Department of Transportation has been using JOC for Over 10 Years
- More Than \$65,000,000 in Completed Work
- More Than 1,700 individual Projects
- 22 Active JOC Contracts in 11 Regions
- No Bid Protests, No Claims, No Lawsuits
- Endorsed by Trade Associations: AGC, STA, etc.
- Pennsylvania Turnpike Commission has been using JOC for 6 Years with Similar Results



Why JOC Works For Contractors

Why JOC Works for Contractors

- Can Complete a Series of Projects by Bidding One Contract
- Fast Track Procurement Process
- Limited Geographic Area and Type of Work to be Performed
- Joint Scope Process Decreases Unknowns and Risks
- · Contractor has Input into Construction Schedule
- · Contractor Paid for Each Task Performed
- · Can Develop Long Term, Non-Adversarial Relationship with Owner
- Simplified Unit Pricing for all Changes, Deletions, and Extras
- Contractor can Increase Volume of Work by Providing Responsive Services, Quality Work on Time and Safely



Solicitation Details – 1 Contract

Region	Trade	Estimate Annual Value
Various Locations – Hudson, Middlesex, Monmouth, Ocean, Burlington. Atlantic, Cape May, Cumberland & Gloucester	Dredging	\$3,000,000

Additional Contract Specifics

Term: 1 Year w/ 1 Year Option

Successful Contractor Awarded a Contract Must Submit a Payment and Performance Bond Equal to 100% of the Estimated Annual Value



Contract Documents



- 2007 Standard for Road and Bridge Construction
- Special Provisions
 - Standard Provisions for NJDOT-State Channel Maintenance Dredging & Associated Facilities Construction & Maintenance 2018
 - Customized for Job Order Contracting
- JOC Supplemental Provisions
- The Construction Task Catalog®
 - Unit Prices based on the Quality of Work And Materials Specified in Standard Specifications and Special Provisions



Front End Documents

- Project Information, Special Provisions, and Standard Dredging Details
 - Construction Task Catalog
 - Technical Specifications

Terms and Conditions

- Insurance Requirements
- Bond Requirements
- Warranty
- Liquidated Damages
- Etc.

STECHE PROVINCES

JOB ORDER CONTRACT-MAINTENANCE DREDGING AND CHANNEL -IMPROVEMENTS - VARIOUS LOCATIONS - CONTRACT 2018 STATEWIDE

AUTHORIZATION OF CONTRACT

The Couract is authorized by the provisions of Title 27 of the Revised Statutes of New Jersey and supplements thereto

SPECIFICATIONS TO BE USED

The 2007 Student Specifications for Rand and Bridge Construction, of the New Jersey Department of Transportation (Department) as assented berein will govern the construction of this Project and the essecution of the Construct.

These Special Provisions consist of the follows: Pages 1 through 60 inclusive

Som wap zons may be obtained from the New Jersy Department of Labor & Workfires Development (Folgalase, 681-50-5215) or by accessing the Department of Labor & Workfires Development's was not as a facility of the Common of the

- The following documents, evaluate on Biol Express, are included with the Biol and are considered to be part of the Contract.

 | Conf. Review Property | Delivation on While from Engled Property Class France Property |
- Stone of New Nersey Number Properts, (Stone Funded Propert Africances 2)
 Requirements for Affirmative Action to Ensure Equal Employment Opportunity on Wholly Stone Funded Design County Stone Funded Design Africance (No. 2014)
- Projects. Citate Funded Project Attachment 3:
 4. Investigating, Reporting and Resolving Employment Discrimination and Sexual Harassument Complaints on Whiley State Funded Projects. Citate Funded Project Attachment 4:
- Wantly Stee Pushed Projects. (Stee Pushed Project Affectment 4)

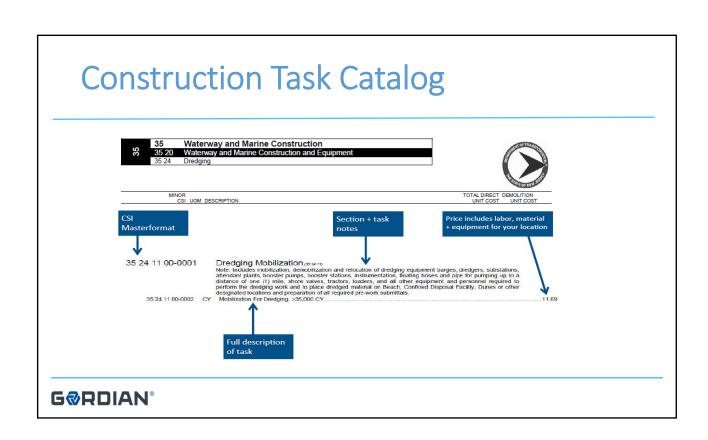
 Payroll Requirements for Wholly Stee Funded Projects. (State Funded Project Affectment 5)
- Esquirements for Winoly State Funded Contracts. (State Funded Project Afficiament 6)
 Notice of Enecutive Order 125 negativement for posting of winning proposal and contract documents.
- 8. The Construction Task Catalog®



- Catalog of Pre-Priced Construction Tasks
- Organized by Construction Specifications Institute (CSI)
- Based on Local Labor, Material & Equipment Costs







01 22 20 00-0051		Rates For Biological And Environmental Services (01 22 20)	
01 22 20 00-0052	HR	Principal Biologist	
01 22 20 00-0053	HR	Environmental Project Director	
01 22 20 00-0054	HR	Senior Environmental Project Manager	
01 22 20 00-0055	HR	Environmental Project Manager	
01 22 20 00-0056	HR	Senior Environmental Scientist	
01 22 20 00-0057	HR	Environmental Scientist	
01 22 20 00-0058	HR	Environmental Technician	
01 22 20 00-0059	HR	Technical Typist/Administrative	
01 22 20 00-0060	MI	Mileage, IRS Rate	
01 22 20 00-0061	DAY	Dry Suit Rental	
		Note: Per day/per person.	
01 22 20 00-0062	DAY	Scuba Rental	
		Note: Per day/per person.	
01 22 20 00-0063 01 22 20 00-0064		GPS Unit Rental	
01 22 20 00-0065		Rates For Salvage Services (01 22 20)	
01 22 20 00-0066	HR	Salvage Master	
01 22 20 00-0066 01 22 20 00-0067	HR HR	Salvage Master Salvage Captain.	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068	HR HR HR	Salvage Master. Salvage Captain. Salvage Spill Supervisor.	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0069	HR HR HR HR	Salvage Master Salvage Captain Salvage Spill Supervisor Salvage Supervisor	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0069 01 22 20 00-0070	HR HR HR HR	Salvage Master. Salvage Captain. Salvage Sulli Supervisor. Salvage Supervisor. Salvage Supervisor.	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0069 01 22 20 00-0070 01 22 20 00-0071	HR HR HR HR HR	Salvage Master Salvage Captain Salvage Sulli Supervisor Salvage Supervisor Salvage Supervisor Salvage Site Safety Supervisor Salvage Deckhand	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0069 01 22 20 00-0070 01 22 20 00-0071 01 22 20 00-0072	HR HR HR HR HR HR	Salvage Master. Salvage Captain. Salvage Supil Supervisor. Salvage Supervisor. Salvage Supervisor. Salvage Deckhand. Salvage Deckhand.	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0069 01 22 20 00-0070 01 22 20 00-0071 01 22 20 00-0072 01 22 20 00-0072	HR HR HR HR HR HR HR HR	Salvage Master. Salvage Captain. Salvage Sulli Supervisor. Salvage Supervisor. Salvage Sulte Safety Supervisor. Salvage Sulte Safety Supervisor. Salvage Deckhand. Salvage Foreman. Salvage Foreman.	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0069 01 22 20 00-0070 01 22 20 00-0071 01 22 20 00-0072 01 22 20 00-0073 01 22 20 00-0073	H H H H H H H H H H H H H	Salvage Master. Salvage Captain. Salvage Supil Supervisor. Salvage Supervisor. Salvage Supervisor. Salvage Deckhand. Salvage Deckhand. Salvage Diver Salvage Diver Standby Salvage Diver	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0068 01 22 20 00-0070 01 22 20 00-0071 01 22 20 00-0073 01 22 20 00-0073 01 22 20 00-0073 01 22 20 00-0074	H H H H H H H H H H H H H H H H H H H	Salvage Master Salvage Captain Salvage Sulli Supervisor Salvage Supervisor Salvage Supervisor Salvage Sute Satety Supervisor Salvage Deckhand Salvage Deckhand Salvage Diver Standby Salvage Diver Standby Salvage Diver Salvage Diver Tender	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0068 01 22 20 00-0070 01 22 20 00-0071 01 22 20 00-0072 01 22 20 00-0072 01 22 20 00-0074 01 22 20 00-0074 01 22 20 00-0075 01 22 20 00-0076	H H H H H H H H H H H H H H H H H H H	Salvage Master Salvage Captain Salvage Supil Supervisor Salvage Supervisor Salvage Supervisor Salvage Sute Safety Supervisor. Salvage Deckhand Salvage Deckhand Salvage Diver Salvage Diver Salvage Diver Salvage Diver Tender Salvage Diver Tender Salvage Diver Tender Salvage Recovery Tech, Cleanup.	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0068 01 22 20 00-0070 01 22 20 00-0070 01 22 20 00-0072 01 22 20 00-0073 01 22 20 00-0073 01 22 20 00-0075 01 22 20 00-0076 01 22 20 00-0076	H H H H H H H H H H H H H H H H H H H	Salvage Master Salvage Captain Salvage Sull Supervisor Salvage Supervisor Salvage Supervisor Salvage Supervisor Salvage Deckhand Salvage Deckhand Salvage Dever Salvage Diver Standby Salvage Diver Salvage Diver Salvage Cover Tech, Cleanup Salvage Recovery Tech, Cleanup	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0069 01 22 20 00-0070 01 22 20 00-0077 01 22 20 00-0072 01 22 20 00-0074 01 22 20 00-0076 01 22 20 00-0076 01 22 20 00-0076 01 22 20 00-0077	555555555555555555555555555555555555555	Salvage Master Salvage Captain Salvage Supil Supervisor Salvage Supervisor Salvage Supervisor Salvage Supervisor Salvage Deckhand Salvage Deckhand Salvage Diver Salvage Diver Salvage Diver Salvage Diver Salvage Diver Tender Salvage Diver Tender Salvage Mechanic Salvage Mechanic	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0068 01 22 20 00-0070 01 22 20 00-0070 01 22 20 00-0072 01 22 20 00-0073 01 22 20 00-0074 01 22 20 00-0076 01 22 20 00-0076 01 22 20 00-0077 01 22 20 00-0076	555555555555555555555555555555555555555	Salvage Master Salvage Captain Salvage Captain Salvage Sull Supervisor Salvage Supervisor Salvage Supervisor Salvage Sues Salvage Supervisor Salvage Deckhand Salvage Deckhand Salvage Diver Standby Salvage Diver Salvage Diver Salvage Diver Tender Salvage Recovery Tech, Cleanup Salvage Admin Salvage Admin Salvage Admin	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0069 01 22 20 00-0070 01 22 20 00-0077 01 22 20 00-0072 01 22 20 00-0074 01 22 20 00-0076 01 22 20 00-0076 01 22 20 00-0076 01 22 20 00-0077 01 22 20 00-0078	5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	Salvage Master Salvage Captain Salvage Supli Supervisor Salvage Supervisor Salvage Supervisor Salvage Supervisor Salvage Deckhand Salvage Deckhand Salvage Diver Salvage Diver Salvage Diver Salvage Diver Tender Salvage Diver Tender Salvage Mechanic Salvage Mechanic Salvage Mechanic Salvage Welder Salvage Welder Salvage Welder Salvage Welder Salvage Welder	
01 22 20 00-0066 01 22 20 00-0067 01 22 20 00-0068 01 22 20 00-0068 01 22 20 00-0070 01 22 20 00-0070 01 22 20 00-0072 01 22 20 00-0073 01 22 20 00-0074 01 22 20 00-0076 01 22 20 00-0076 01 22 20 00-0077 01 22 20 00-0076	5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	Salvage Master Salvage Captain Salvage Captain Salvage Sull Supervisor Salvage Supervisor Salvage Supervisor Salvage Sues Salvage Supervisor Salvage Deckhand Salvage Deckhand Salvage Diver Standby Salvage Diver Salvage Diver Salvage Diver Tender Salvage Recovery Tech, Cleanup Salvage Admin Salvage Admin Salvage Admin	



Construction Task Catalog

35 24 11 00-0001 $\label{eq:decomposition} \begin{tabular}{ll} \textbf{Dredging Mobilization} & \textbf{Mobilization} & \textbf{Mobiliza$ attendant plants, booster pumps, booster stations, instrumentation, floating hoses and pipe for pumping up to a distance of one (1) mile, shore valves, tractors, loaders, and all other equipment and personnel required to perform the dredging work and to place dredged material on Beach, Confined Disposal Facility, Dunes or other designated locations and preparation of all required pre-work submittals. 35 24 11 00-0002 CY Mobilization For Dredging, >35,000 CY. 11 69 35 24 12 Dredging (35 24) 35 24 12 00-0001 Dredging (35 24 12) Note: Marker buoys, lighting and all accessories shall be included and installed as per USCG Requirements. Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up

Note: Includ 35 24 12 00-0002 CY to a distance of one (1) mile, supporting equipment, not limited to tug boats, fueling equipment, fuel, tender, equipment barge, deck barge, crew boat, power generation equipment, pumps, welding machine, backhoe. Includes, but not limited to all required crew members: leverman, engineer, deckhand, captain, operators, and supporting laborer as needed. Excludes mobilization and demobilization. See CSI section 35 24 11 00-0001 for dredging mobilization and demobilization.
For Dredged Material Having Greater Than 50% Sand, Add 35 24 12 00-0003 CY Dredging To Beachfill.. .25.00 Lieuging 10 beacnill.

Note: Includes the following equipment: 14" to 18" hydraulic dredge with floating hoses and pipe for pumping up to a distance of one (1) mile, supporting equipment, not limited to tug boats, fueling equipment, fuel, tender, equipment barge, deck barge, crew boat, power generation equipment, pumps, welding machine, backhoe. Includes, but not limited to all required crew members: leverman, engineer, deckhand, captain, operators, and supporting laborer as needed. Excludes mobilization and demobilization. See CSI section 35 24 11 00-0001 for dredging mobilization and demobilization.



35 24 23 Clamshell Dredging (35 24)

35 24 23 00-0001 Mechanical Dredging (35 24 23)

35 24 23 00-0002

Mechanical Dredging Mobilization (35 24 23 00-0001)

35 24 23 00-0003 EA

35 24 23 00-0004 Mechanical Dredging (35 24 23 00-0001)

35 24 23 00-0005 CY

Mechanical Dredging.

Note: Includes all materials, labor, and equipment to dredge by way of mechanical dredging. Costs include marine equipment, excavation equipment, hoisting equipment, tug boats, clamshell or grab buckets, support equipment, personal working platforms, shifting or repositioning of equipment, temporary support structures including access platforms, protection for personnel, gangways, barges, anchor systems, power generation, telling equipment, fuel, excavators, pumps, generators, USCG requirements, material handling, debris barge, mud scow, or similar as needed, transportation of dredge material to disposal site, offloading of dredge material at disposal site, maintenance and repairs to existing structures to facilitate intended use. Labor is also part of the cost to complete the work at no additional cost to the owner.

GRDIAN®

Technical Specifications

- Specifies Quality of Materials and Workmanship
- Corresponds with Tasks in the Construction Task Catalog





Bidding Process

- Prior to Bidding Maintenance Dredging JOC Cannot:
 - Identify or Commit to any Specific Project, Location or Agency
 - Identify or Commit to any Specific CTC Tasks or Quantities
- There is a Defined Geographic Area
- Contract has a 1 Year Term 1 year option
- NJDOT-Maintenance Dredging JOC has \$0 Guaranteed
- NJDOT-Maintenance Dredging JOC Estimated Annual Value \$3,000,000 per each Geographic Area.
 - But, Upside is Unlimited



Bidding Process

- Bid 1 Adjustment Factor:
- **Normal Working Hours**: Up to 24 hours per day, seven (7) days per week (including ALL Holidays)
- Adjustment Factor Applies to All Tasks in the CTC
- Lowest Adjustment Factor From a Responsive, Responsible Bidder Wins!



Contractor Adjustment Factor

Importance of Adjustment Factor

- Determines Winning Bidder AND
- Used to Price Individual Job Orders
- Price Proposal Total Becomes the Lump Sum Amount

```
Unit Price x Quantity x Adjustment Factor = Total for Task

Unit Price x Quantity x Adjustment Factor = Total for Task

Unit Price x Quantity x Adjustment Factor = Total for Task
```

Total Job Order Price

GRDIAN®

NJDOT Process



- 1. Joint Scope Meeting Owner, Contractor, Others define the Detailed Scope of Work
- 2. Detailed Scope of Work Prepared, RFP Issued
- 3. Contractor Prepares Price Proposal, Construction Schedule, List of Subcontractors
- 4. Proposal Reviewed by Owner Final Proposal Package Submitted to Owner
- 5. If Satisfied, Owner Issued Job Order

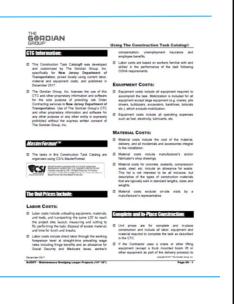


NJDOT- Process Internet Based Software eGordian Provided with Contract • Automates the Price Proposal Process No Additional Cost to Contractors for Software License or Training Show 25 ▼ Line Items Column Options Search: Add New Line Item Search CSI Number Search Description and User Note Search Default CTC ▼ 01 74 19 00-001 10 CY Dumpster (1 Ton) *Construction Debris (0 out of 1 modifiers applied.) 3/4" Diameter x 7" Length, Zinc Plated Steel, Wedge Anchor Expansion Bolt + 05 05 19 00-002 (0 out of 3 modifiers applied.) 2'-4" x 7' x 1-3/8" Thick, 5 Ply, Hollow Core (HC), Oak Faced Wood Door + 08 14 16 00-003 Doors and

Construction Task Catalog

(0 out of 2 modifiers applied.)

- Contractor must review and understand "Using the Construction Task Catalog"
- Rules for Preparing Price Proposals from CTC
- Make sure you get paid for all appropriate Tasks





GRDIAN®

- Unit Prices are for Complete and In-Place Construction.
- Unit Prices Include Labor, Material, and Equipment. Do Not Add Labor to Task.
- Unit Prices Include the Cost of Delivery to Project Site, Unloading, Storage, and Handling.



Non Prepriced Tasks

The final price submitted for Non-Prepriced Tasks shall be according to the following formula:

A = Hourly Labor Rate without fringes (for Trades not in Construction Task Catalog)

B = Direct Material Costs (supported by three quotes)

C = Direct Equipment Costs (for Equipment not in Construction Task Catalog)

D = Subcontractor Costs (supported by three quotes)

 $E = Allowable Over Head on Labor = A \times 35\%$

F= Allowable Overhead on Profit = (A + B + C) x 10%

G = Subcontractor Allowance = D x 5%

Total Cost of Non Pre-Priced Task = A + B + C + D + E + F + G



Methods to Calculate

- Use Historical Project Data
 - Select a Completed Project
 - You Know Scope and Direct Costs
 - Price Project From CTC
 - Add on Overhead and Profit
 - Calculate the Adjustment Factor

Recommended Method

- Create a Representative Project
 - Create a Scope of Work
 - Get Sub Quotes or Estimate Cost
 - Price Project From CTC
 - Add on Overhead and Profit
 - Calculate the Adjustment Factor

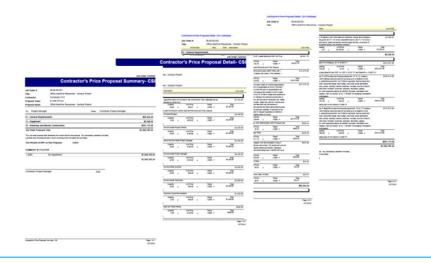
Sample Project: Detailed Scope of Work

-				
	ITEM NO.	DESCRIPTION	UNIT	CONTRACT QUANTITY
	1	Mobilization	LS	1
	2	Field Office Type A Set Up	UNIT	1
	3	Field Office Type A Maintenance	MO	6
	4	Oil Only Emergency Spill Kit, Type 1	UNIT	1
	5	Erosion Control Sediment Removal	CY	37
	6	Biological Surveys	LS	1
	7	Construction Identification Sign 6' x 12'	UNIT	1
	8	Final Cleanup	LS	1
	9	Dredging, Transport and Placement to CDF	CY	16537
	10	Dredging, Transport and Placement to Beachfill	CY	14995



GRDIAN®

Sample Project: Price Proposal



GRDIAN®

Sample Project:

Price From Construction Task Catalog	Cost	Price From Estimates or Quotes	Cost
Mobilization for Dredging, Up To 35,000 CY	\$242,481.08	Mobilization for Dredging, Up To 35,000 CY	\$218,986.00
Type A Field Office Set Up and Removal	\$10,278.65	Type A Field Office Set Up and Removal	\$20,000.00
Type A Field Office Maintenance	\$37,373.76	Type A Field Office Maintenance	\$27,657.00
Oil-Only Emergency Spill Kit, Type 1	\$2,368.92	Oil-Only Emergency Spill Kit, Type 1	\$1,575.00
Erosion Control Sediment Removal	\$3,094.95	Erosion Control Sediment Removal	\$8,500.00
Rates for Biological and Environmental Services	\$24,870.00	Rates for Biological and Environmental Services	\$19,567.00
Construction Identification Sign 6' x 12' (> 32SF)	\$1,398.24	Construction Identification Sign 6' x 12' (> 32SF)	\$1,750.00
Final Cleanup	\$6,228.64	Final Cleanup	\$10,000.00
Dredging, Transport and Placement to CDF	\$363,814.00	Dredging, Transport and Placement to CDF	\$357,000.00
Dredging, Transport and Placement to Beachfill	\$374,875.00	Dredging, Transport and Placement to Beachfill	\$389,870.00
TOTAL	\$1,066,783.24	TOTAL	\$1,054,905.00



Sample Project: Price Proposal

A. Direct Cost of Work \$ 1,054,905.00

B. Overhead 10%* \$ 105,490.50

C. Subtotal w/O/H \$ 1,160,395.50

D. Profit 5%* \$ 58,019.77

E. Subtotal w/O/H & Profit \$ 1,218,415.27

F. Price from CTC \$ 1,066,783.24

Adjustment Factor (= E / F) 1.1421

*Sample Only. Contractor to determine.

GRDIAN®

Annual Adjustment Factor Update

- Annual Price Adjustment
 - Applied annually on the anniversary of the Bid Date
 - Based on CCI (20 city average) published by Engineering News Record
 - Calculation (Based on Solicitation month)

<u>Average CCI for Current Year</u> = The % Increase or Decrease in Average CCI for Base Year Construction Costs

- Percentage x Original Adjustment Factors = New Adjustment Factors for Next Year
- Normal Working Hours



Bid Considerations

- Contractors Should Expect To
 - Prepare Incidental Drawings or Sketches for Some Projects
 - Justify Quantity Calculations
 - Explain Detail of Work
 - Prepare Proposals for Some Projects That Might be Canceled
 - Margins on CTC Tasks Vary
 - Some Projects are More Profitable than Others



Bid Considerations

- Must Meet NJDOT Qualification Requirements
- Must have Required Insurance and Bonding
- Must be Able to Manage Multiple Projects at Multiple Sites
- Previous JOC Experience NOT Required. The Gordian Group will Provide Training on the JOC Process, Software, and other JOC Related Activities.



Risks of Low Adjustment Factor

- Leads to Arguments in Proposal Review
 - Unsupportable Tasks
 - Exaggerated Quantities
- Leads to Delays in Developing Job Order
 - Takes Longer to Review Proposals
- Creates an Adversarial Relationship
 - · Reduced Volume of Work
 - Will Shorten Contract
 - · Lost Profitability
- No Second Chance to Improve your Margin



Review of Key Points

- Focus on Total Potential Value of Contract
 - Estimated Annual Value x 2
- Evaluate Construction Task Catalog®
 - Analyze Unit Prices
 - Know the General Guidelines for Using the CTC
- Contractor Performance Drives Volume
 - Ability to Market Program and Services
 - Responsive Service
 - Accurate Proposals
 - · Safe and Clean Project Sites
 - · High Quality Construction
 - On-Time Completion
 - On-Time Close Out



Bids

- Sealed Bids Due:
- JOC State Channel Maintenance Dredging and Associated Facilities

 Construction and Maintenance Dredging Projects Greater than

 35,000 CY Various Locations 08/16/2018

GRDIAN®