



## **Job Order Contracting Introduction, April 1, 2025**

**What is Job Order Contracting?:** Job Order Contracting (JOC) is one of three alternative public works project delivery models authorized for use by public agencies in the State of Washington under chapter 39.10 RCW. JOC is a very different process from the traditional Design-Bid-Build method of performing public works projects.

Job Order Contracting is a method of obtaining construction services for smaller projects through the use of an indefinite quantity delivery order contract over a fixed period of time. Prices for each work order are based on an established price book. Agencies enter into one contract that can be used for multiple, small, time-sensitive projects requiring little or no design (RCW 39.10.420-.460). The City's proposed JOC contract requires the use of the RS Means price book, which is widely recognized in the industry as a reliable source of construction cost documentation.

**Process governed by RCW 39.10.420:** As of July 2019, all public bodies of the State of Washington are authorized to award job order contracts and use JOC.

**Selection of the Job Order Contractor:** In the JOC process, a Job Order Contractor is selected through an advertised multi-phased process, which includes:

- **Phase I Selection:** Evaluation is based upon a proposal of qualifications and other factors (exclusive of price).
- **Phase II Selection:** Evaluation of best-qualified firm based on Phase I Selection, interview, and unit price multiplier. The unit price multiplier is a fixed coefficient to be multiplied by unit prices in RS Means.

The successful Job Order Contractor agrees to provide a variety of services including, but not limited to: cost estimating, assessment of construction options, and scheduling while performing small construction and repair projects throughout the state. The Owner will enter into a contract with the Contractor for a predetermined minimum level of work. The JOC contract amount is defined as the total of all Contractors' Work Order Estimates (RS-Means unit price and non-priced items included in the project scope), each multiplied by the RS Means City Cost Index, multiplied by the Job Order Contractor's Bid Coefficient. Each Work Order cost must be within the Owner's budget. The Owner will establish that funds are available prior to submitting a construction estimate.

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**Advantages of Using JOC:** One of the primary advantages of using JOC is speed. It enables the public agency to complete smaller projects more quickly than is possible through the traditional Design-Bid-Build approach. Complete plans and specifications are not always required. The plans and specifications must be sufficient for any permitting, for ensuring that the contractor understands the project clearly enough so they can price it based on the price book, and for providing the owner with a tool to ensure that the project meets the owner's expectations. Unlike the other alternative public works contracting methods, agencies seeking to use JOC do not need to obtain the approval of the state Project Review Committee.

**Redmond's Plan for JOC Utilization:** Under state law, the maximum total dollar amount that may be awarded under a job order contract is \$4 million per year for a maximum of three years. Initial contract terms are not to exceed 2 years, with the option of extending or renewing for one additional year. However, as a new contracting technique for the City, the proposed contract will be for a maximum of \$2 million with an option to extend for an additional year. State law allows task orders up to \$500,000, but the City's practice will be to seek Council approval prior to executing task orders in excess of \$300,000.

Typical projects that use this method are facility renovations, repair and maintenance work, and small construction projects across multiple locations. Each work order issued shall be treated as a separate contract for the purposes of chapter 39.08 RCW (contractor's bonds), chapter 39.12 RCW (prevailing wages), chapter 39.76 RCW (interest on unpaid public contracts), and chapter 60.28 RCW (liens for public works).

At least 90 percent of work contained in a job order contract must be subcontracted to entities other than the job order contractor.

- The City of Redmond has established Minority Business Enterprises (MBE), and Women Business Enterprises (WBE) aspirational goals (MBE= 10%, WBE = 5%) for the work performed through this JOC.