



# Job Order Contracting (JOC) Playbook

Choice Partners Vendor Exhibit  
April 10, 2026



# Objectives

Why JOC?

Maintenance vs. Construction

Concepts including Trade JOC & Quoting vs. Bidding

How to Legally Use a CP JOC Contract

# Common Phrases

1

That's the way we have always done it.

2

It was like that when I got here

3

It's not right, but it's normal for us

4

Another department is responsible for that.

Standard  
Opera  
Procedu



# Why Does Legal Compliance Matter?

- Different procurement rules apply
  - Contracts not properly procured can be voided or unenforceable
  - Officials and officers who violate procurement statutes can be subject to criminal penalties
- Public works contracts may trigger bonding and prevailing wage requirements
- Legal mistakes can:
  - DELAY projects
  - Jeopardize budgets and result in cost-overruns
  - Subject gov't entity to financial liability to vendors & subcontractors

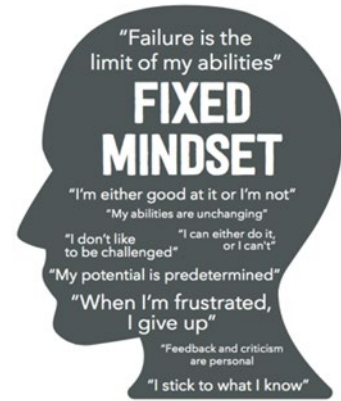


# JOC/IDIQ – Why Job Order Contracting (JOC)

- Time & Materials

If providing **construction services:**

- **Only** method allowed to select contractors for future, undefined projects *Tex. Gov't Code § 2269*





# JOC/IDIQ – What is JOC/IDIQ Contracting

“A procurement method used for **maintenance, repair, alteration, renovation remediation, or minor construction**” of facilities “when the **work is of a recurring nature**, but the delivery **times, types, and quantities** of work required are **indefinite.**”

*TEX. GOV'T CODE § 2269.401*



# Maintenance VS. Construction

## Factors to Consider

- *Like for like* – NOT new or upgraded
- Scale and complexity of project
- Physical size of object being worked on

**JOC contract**  
(TGC 2269.401)



Repair &  
Maintenance

**Maintenance Contract**  
(TEC 44.031, LGC 262)



Construction  
Services

*OSHA Letter to Raymond Knobb (11.18.2003)*



# Maintenance VS. Construction

## Good rule of thumb:

- Procure maintenance service contracts under Tex. Gov't Code Chapter 2269, rather than under non-2269 method (like TEC 44 for ISD's), if
  - Maintenance and routine repair contracts could include significant replacements, repairs or installation of new structures, appurtenances, features, components or fixtures;
  - Repairs will be performed by laborers, workers or mechanics who would be required to furnish performance or payment bonds or would be entitled to a minimum prevailing wage rate under public laws; or
  - There is a potential for a repair to require the services of an architect or engineer, the securing of permits, or compliance with updated building or electrical codes.



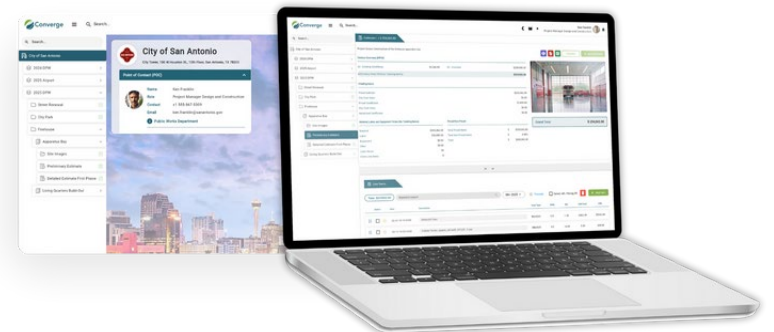
# JOC's procured by Purchasing Cooperatives

- Gov't Entity selects vendor without having to use its own competitive procurement process
- ONLY satisfies the **procurement** requirement, NOT the **contracting** requirement
- Statute **requires a written and signed** job order between the **vendor and the Gov't Entity** **TGC 2269.410(a)**
- Only construction method that allows for use of a cooperative in lieu of self-procurement
- Only method allowed to select contractors for future, undefined projects or tasks



# What Is A Unit Price Book

- Contains a list of construction tasks with assigned cost for each task representing labor, material, and basic equipment cost i.e. hand tools
- Must be specified in RFP/CSP
- Examples include eConverge powered by BNI, RS Means, etc.
- May include overhead and profit
- Current changes in the market





# What Is A Coefficient/Multiplier

- Establishes a competitively bid cost adjustment or multiplier to the UPB pricing
- Represented as a baseline of 1.0
- Includes contractor's overhead and profit
- Includes all overhead items

The diagram illustrates the calculation of a customer price from a UPB price using a coefficient. It shows a blue plug icon with "\$5" above it and "UPB plug" below it. This is multiplied by a red "1.20" with "COEFFICIENT" below it. The result is a blue plug icon with "\$6" above it and "PLUG FOR CUSTOMER" below it.

$$\begin{array}{c} \$5 \\ \text{UPB plug} \end{array} \times \begin{array}{c} 1.20 \\ \text{COEFFICIENT} \end{array} = \begin{array}{c} \text{PLUG} \\ \$6 \\ \text{PLUG FOR} \\ \text{CUSTOMER} \end{array}$$



# JOC/IDIQ – What's an IDIQ/JOC Estimate?

- MUST contain:
  - CP Contract Number
  - Line-item assessment based on Unit Price Book (UPB)
  - Localized by applying City Cost Index (CCI)
  - Legally bid coefficient
- Subcontractor pricing must be estimated using the UPB for ALL scope of work



# JOC/IDIQ Estimate

HVAC Example									
Quantity	Line Number	Description	Unit	O&P	Ext. Total O&P	Labor Type	Data Release	CCI Location	Notes
Vendor Name									
Job Description									
Choice Partners Contract #18/036MC-XX									
Data Release : Year 2019 Quarter 2									
				<b>Total</b>					
10	230505100400	Central station air handler, up thru 15 ton, selective demolition	Ea.	\$ 579.25	\$ 5,792.50	RR	Year 2019 Quarter 2 (Use most updated available at time quote is requested)	TEXAS / HOUSTON (770-772)	Insert any notes to describe where work is being done, what is being provided in this line item, etc
1	237433101100	Rooftop air conditioner, single zone, electric cool, gas heat, 3 ton cooling, 60 MBH heating, includes, standard controls, curb and economizer	Ea.	\$ 4,359.00	\$ 4,359.00	RR	Year 2019 Quarter 2	TEXAS / HOUSTON (770-772)	
3	237433101150	Rooftop air conditioner, single zone, electric cool, gas heat, 7.5 ton cooling, 170 MBH heating, includes, standard controls, curb and economizer	Ea.	\$ 8,213.65	\$ 24,640.95	RR	Year 2019 Quarter 2	TEXAS / HOUSTON (770-772)	
1	237433101156	Rooftop air conditioner, single zone, electric cool, gas heat, 8.5 ton cooling, 170 MBH heating, includes, standard controls, curb and economizer	Ea.	\$ 9,733.10	\$ 9,733.10	RR	Year 2019 Quarter 2	TEXAS / HOUSTON (770-772)	
2	237433101160	Rooftop air conditioner, single zone, electric cool, gas heat, 10 ton cooling, 200 MBH heating, includes, standard controls, curb and economizer	Ea.	\$ 12,186.50	\$ 24,373.00	RR	Year 2019 Quarter 2	TEXAS / HOUSTON (770-772)	
1	237433101170	Rooftop air conditioner, single zone, electric cool, gas heat, 12.5 ton cooling, 230 MBH heating, includes, standard controls, curb and economizer	Ea.	\$ 13,614.90	\$ 13,614.90	RR	Year 2019 Quarter 2	TEXAS / HOUSTON (770-772)	
2	237433101180	Rooftop air conditioner, single zone, electric cool, gas heat, 15 ton cooling, 270 MBH heating, includes, standard controls, curb and economizer	Ea.	\$ 16,839.60	\$ 33,679.20	RR	Year 2019 Quarter 2	TEXAS / HOUSTON (770-772)	
100	239110106050	Curbs/pads prefabricated, pad, condenser, fiberglass reinforced concrete with polystyrene foam core, 2" thick, 20" x 38"	Ea.	\$ 94.70	\$ 9,470.00	RR	Year 2019 Quarter 2	TEXAS / HOUSTON (770-772)	
1	015433602720	Rent crane truck mounted, hydraulic, 100 ton capacity, incl. Hourly Oper. Cost.	Week	\$ 9,898.76	\$ 9,898.76	RR	Year 2019 Quarter 2	TEXAS / HOUSTON (770-772)	
		RS Means Unit Cost Total		\$ 75,519.46	\$ 135,561.41				
		<b>Total with Coefficient (0.90 x RS Means Total)</b>			\$ 122,005.27				
		Additional Discount of XX% good for current project only			\$ 109,804.74				
		2% Bond (Any additional Pass-Through Costs)			\$ 2,196.09				***Optional if you need to give additional discount to be competitive.
		<b>Total Project Quote</b>			\$ 112,000.84				

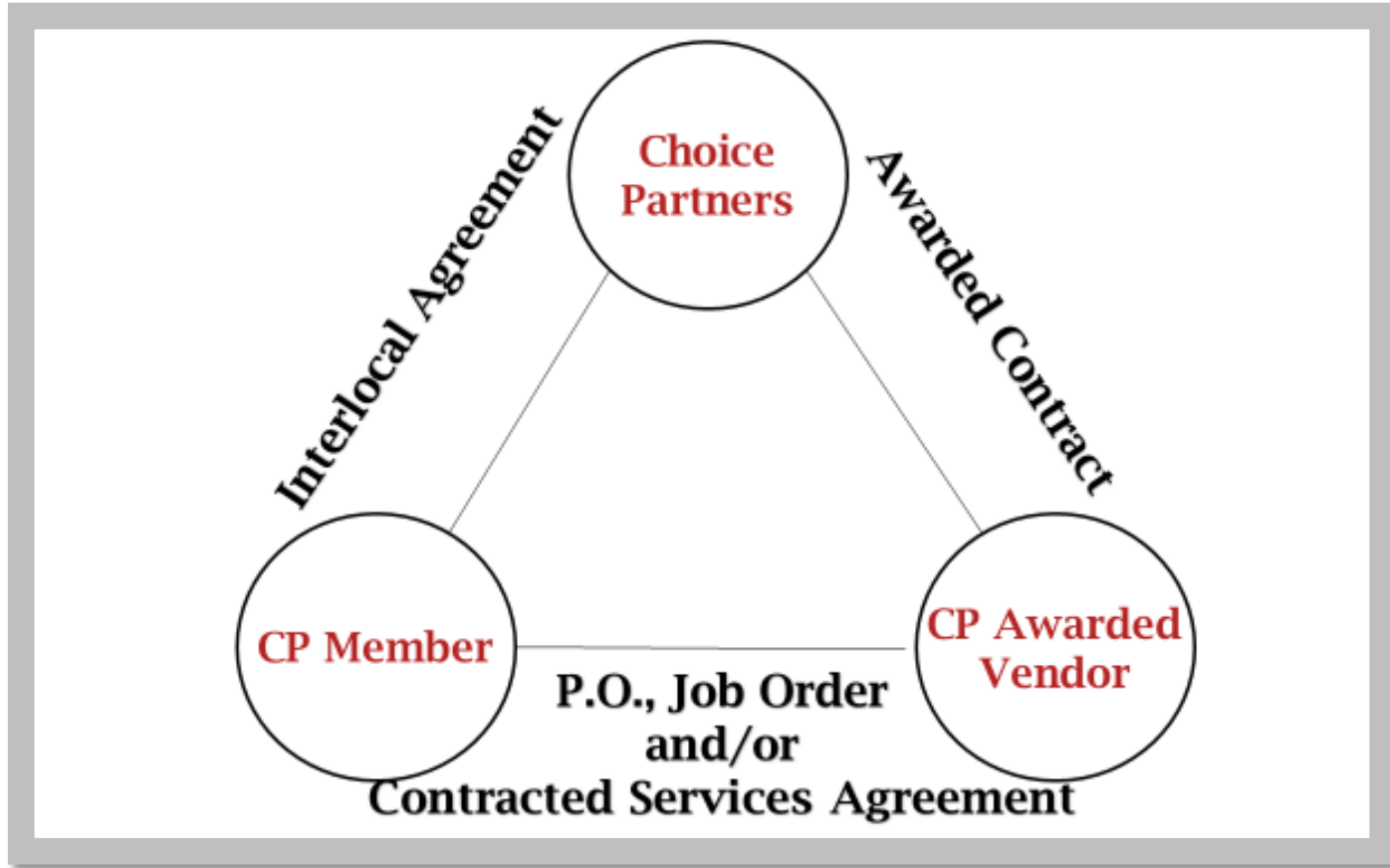


# Review the JOC Quote

- CCI location
  - Coefficient
  - Correct Pricing Column (O&P)
  - Data release (most recent)
- Non-pre-priced items
  - Attempts to pass-through co-op fee
  - Division 1
  - Adjustment Factors



# WIN, WIN, WIN





# Use A Master Job Order Contract

- Contains Gov't Entity's project specific Scope of Work
- Includes Job Order & Prevailing Wage Rate as Attachments
- Liquidated Damages
- Retainage
- Terms & Conditions Specific to Gov't Entity
- Signed by Gov't Entity & Vendor

“An order for a job or project under a job order contract must be signed by the government entity's representative and the contractor.”

*TEX. GOV'T CODE § 2269.410*





## JOC / IDIQ – The JOB Order

- Owner/Gov't Entity - issued
- Signed by both parties
- States scope of work and price of assigned tasks
- Provides Owner's Adopted Prevailing Wage Rates



# Public Works Bonds

- Performance bond required if contract is in excess of \$100,000
  - Protects the Gov't Entity from financial losses arising from default, material breach, termination or abandonment
- Payment bond required if a contract is in excess of:
  - \$25,000 & the Gov't Entity is not a municipality or a joint board
  - \$50,000 and the Gov't Entity is a municipality or a joint board
  - Protects the Gov't Entity from claims for nonpayment of suppliers, subcontractors, and sub-subcontractors

*TEX. GOV'T CODE § 2253.021*



# JOCs and Using an Architect or Engineer

- Gov't Entity must independently hire A/E if services required

*TEX. GOV'T CODE § 791.011(j)*

- Architect required for:

- A new building having construction costs **exceeding \$100,000**
- An alteration or addition having construction costs exceeding **\$50,000**

*TEX. OCC CODE § 1051.703*

- Exceptions to Engineering Services:

- An engineer is **NOT** required for a public work project if:
  - A project involving electrical or mechanical engineering will cost **\$8,000 or less**
  - A project not involving electrical or mechanical engineering will cost **\$20,000 or less** (i.e., structural or civil)

*TEX. OCC CODE § 1001.053*



# What Must Go to the Governing Body?

- Determination of construction services project delivery method (if other than **Competitive Sealed Bids** or other method in local policy).
- Approval of competitive procurement results, where procurement is required
- Approval of all Interlocal Contracts for cooperatives
- Approval of the contract with any vendor
- Approval of all contract amendments or change orders
- All contract renewals and contract terminations
- Governing Body may act to delegate all of the above powers (CH or CV Local for ISD's)
- **Job Orders (including cooperative purchases) in excess of \$500,000 (Seek clarification from your attorney regarding LGC 262.023)**



# Trade JOC VS. JOC

- **Trade JOC**

- Allows the use of one trade or division
- Reduces overhead expenses when multiple trades are not needed to complete project

- **JOC**

- Allows for the use of all divisions and is typically a general contractor

Case law has clarified that a “public work contract includes both traditional construction and contracts for repair of a building.” LA Ash, Inc. v. Tex. A&M Univ., 2008 Tex. App. LEXIS 8206, 2008 WL 4742135 (Tex. App. Waco Oct. 29, 2008); see also Acrotod Co. v. Housing Auth. Of Houston, 1999 Tex. App. LEXIS 889, 1999 WL 82450 (Tex. App. Houston 1<sup>st</sup> Dist. Feb. 11, 1999).



# JOC / IDIQ – Bidding VS. Quoting

- **BID or PROPOSAL**

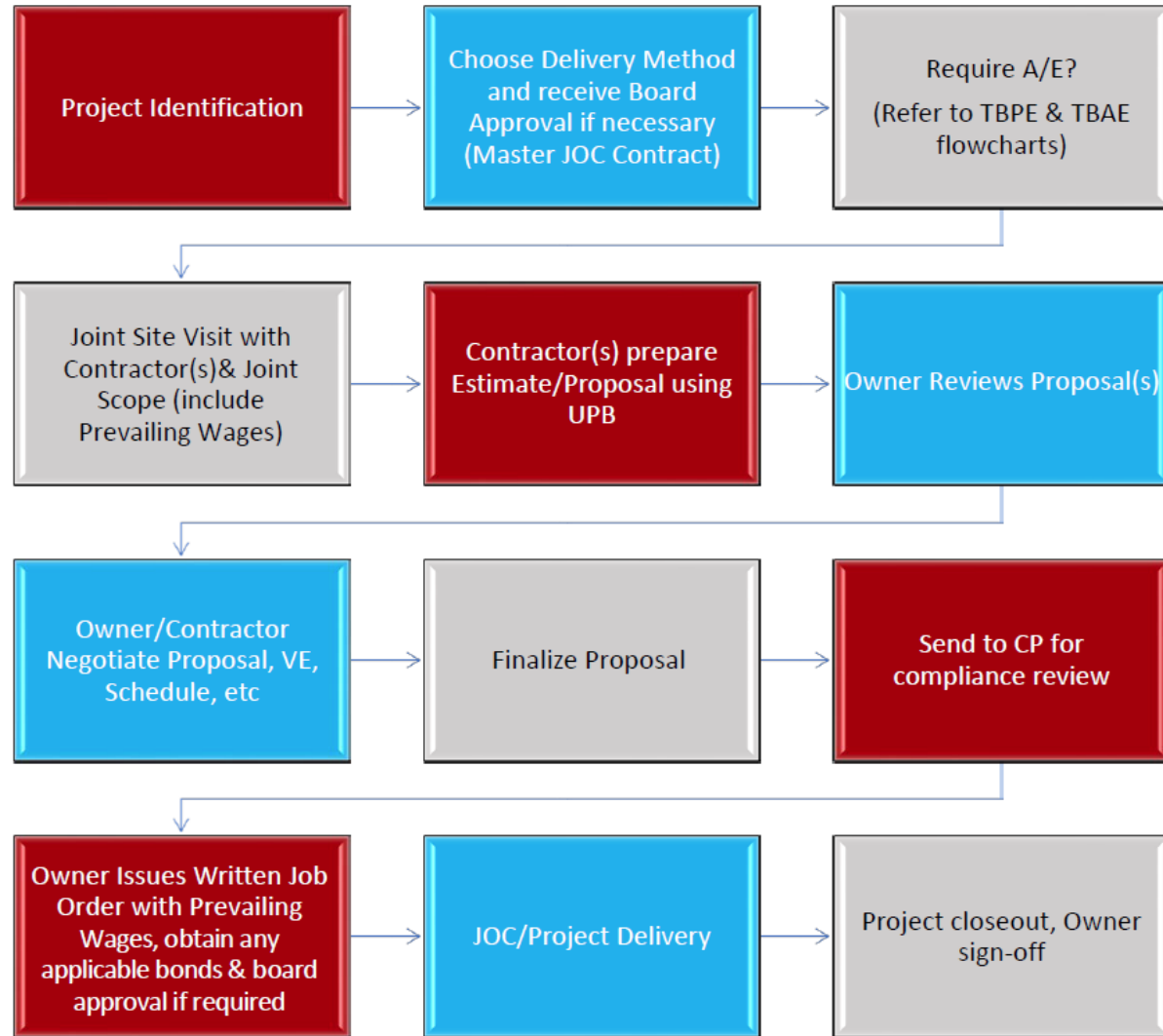
vendor's *formal, written, sealed response* that satisfies the state's procurement requirements for a governmental entity.

- **QUOTE**

vendor's *job-specific price in writing* based on their previously bid and awarded contract coefficient and contract specified UPB. (may be required to get more than one)



# The JOC Process - Texas





# JOC / IDIQ – Final Thoughts

- Establish procurement method with your vendor prior to them quoting the job
- Include contract number on quote and PO
- Verify pricing by requesting the vendor's line-item estimate with legally bid coefficient.
- Understand coefficients are **NOT** created equal
- Understand not all Co-ops are created equal, are in State, or are 2 CFR Part 200 (EDGAR/Uniform Guidance) compliant
- Governing Body Approval



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