



# Efficiency in Procurement

When you need to make a Choice,  
make the Right Choice...



# Legal Requirements

Choice Partners follows all state and federal laws governing public procurement, including EDGAR for school districts. HUB, MWBE, SBA and other vendor certifications are requested on each RFP.





# Legal Requirements - Texas

Choice Partners provides legally-procured contracts

Local Government Code 271 - Purchasing & Contracting Authority of Municipalities, Counties, other Government

Education Code Ch. 44 -Procurement (All construction, with the exception of Performance Contracts, is in Code 2269)

Government Code 791 – Interlocal Cooperative Contracts

Government Code 2269  
Construction Procurement  
for all government (except  
Higher Ed.)

Local Gov't Code 252/262  
Purchasing & Contracting  
Authority of Municipalities,  
Counties, other  
Government

24 CFR 85.36  
Housing and  
Urban  
Development



EDGAR/Uniform  
Guidance  
2 CFR 200

HB 1295

TEC 51.9335  
Higher Education





# Choice Partners Contracts

**Educational**



**Facility Services**



**Food/Cafeteria  
Supplies**



**Supplies  
and Services**



**Technology**



*The Right Resources. Right now.*

**Choice Partners Cooperative Serving**

Schools | Colleges | Universities | Counties | Municipalities | NonProfits



# HCDE-CP JOC/IDIQ Contracting: What you need to know to stay Legal & Compliant

BY: Stephen Kendrick, Sr. Manager of Facilities Planning



A hand is holding a black smartphone. The screen of the phone displays a vertical gradient background transitioning from red at the top to green at the bottom. The word "Objectives" is written in white, bold, sans-serif font in the center of the screen.

# Objectives

Concepts & Terminology of Job Order Contracting (JOC)

Maintenance vs. Construction

Trade JOC vs. JOC

Quoting vs. Bidding

# Why Job Order Contracting (JOC)

- ~~“Time & Materials”~~

- If providing “construction services”

- Only method allowed to select contractors for future, undefined projects
- [TEC 44.031](#), TEC 51, LGC 252.043, LGC 262.023, LGC 271.054

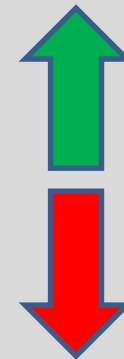
# JOC/IDIQ

- **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)**

- **Maintenance Contract**  
**(TEC 44.031)**



Repair &  
Maintenance

Construction  
Services

OSHA Letter to Raymond Knobb (11.18.2003)



# What is Job Order 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



# Using JOCs 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**
- 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 Cannot Be Done Under a JOC Contract?

- Engineering and Architectural Services
- Ground up construction of a new building
- A related type of project associated with civil engineering construction
- A building or structure that is incidental to a project that is primarily a civil engineering construction project

Texas Government Code 2269.402, 2269.408

# What is the Unit Price Book?

- The contract specified UPB is a published maintenance or construction unit price book (RS Means or National Construction Estimator by Craftsman).
- Contains a list of tasks with an assigned cost for each task representing labor, material, and equipment cost.

# What is a JOC/IDIQ Estimate?

- A line item assessment utilizing the Unit Price Book (UPB)
- Contains the tasks necessary to complete scope of work
- “Localized” by applying a City Cost Index (CCI) assigned to various cities
- Reduced by legally bid coefficient
- Contains contract number
- Subcontractor pricing must be estimated using the UPB for ALL scope of work



# What is the Unit Cost?

- Includes all costs related to labor, materials, and equipment
- “Localized” by applying a City Cost Index (CCI) assigned to various cities

# What is a Coefficient?

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

# JOC/IDIQ Estimate

## Roofing JOC/IDIQ RS Means UPB Training Sample

Vendor Name

Job Description

Choice Partners Contract #17/038CG-XX

Data Release : Year 2017 Quarter 2

Quantity	LineNumber	Description	Unit	Ext. Total O&P	Labor Type	Data Release	CCI Location	Notes
35	024119192040	Selective demolition, rubbish handling, 0 - 100' haul, load, haul, dump and return, hand carried, cost to be added to demolition cost	C.Y.	\$ 2,089.85	RR	Year 2017 Quarter 2	TEXAS / HOUSTON (770-772)	
35	024119193040	Selective demolition, rubbish handling, 50' haul, loading & trucking, hand loading truck, cost to be added to demolition cost	C.Y.	\$ 2,027.20	RR	Year 2017 Quarter 2	TEXAS / HOUSTON (770-772)	
9	024119200100	Selective demolition, dump charges, typical urban city, building construction materials, includes tipping fees only	Ton	\$ 729.00	RR	Year 2017 Quarter 2	TEXAS / HOUSTON (770-772)	
1600	070505100120	Selective demolition, thermal and moisture protection, downspouts, including hangers	L.F.	\$ 1,616.00	RR	Year 2017 Quarter 2	TEXAS / HOUSTON (770-772)	
2150	070505100420	Selective demolition, thermal and moisture protection, gutters, metal or wood, edge hung	L.F.	\$ 3,182.00	RR	Year 2017 Quarter 2	TEXAS / HOUSTON (770-772)	
2150	070505102270	Selective demolition, thermal and moisture protection, roof edge, gravel stop	L.F.	\$ 795.50	RR	Year 2017 Quarter 2	TEXAS / HOUSTON (770-772)	
2150	070505103730	Selective demolition, thermal and moisture protection, roofing, built-up, embedded gravel removal	S.F.	\$ 1,913.50	RR	Year 2017 Quarter 2	TEXAS / HOUSTON (770-772)	
2150	075216101800	SBS modified bituminous membrane, smooth surface flashing, 150 mils	S.F.	\$ 7,009.00	RR	Year 2017 Quarter 2	TEXAS / HOUSTON (770-772)	
1075	075216102020	SBS modified bituminous membrane, roofing asphalt, 20 to 30 mils	S.F.	\$ 881.50	RR	Year 2017 Quarter 2	TEXAS / HOUSTON (770-772)	
2150	077119101360	Gravel stop, galvanized steel, plain, with continuous cleat, 4" leg, 6" face height, 24 gauge	L.F.	\$ 22,489.00	RR	Year 2017 Quarter 2	TEXAS / HOUSTON (770-772)	
		RS Means Unit Cost Total		\$ 42,732.55				
		<b>Total with Coefficient (.84 x RS Means Total)</b>		<b>\$ 35,895.34</b>				
		2% Bond (Any additional Pass-Through Costs)		\$ 717.91				
		<b>Total Project Quote</b>		<b>\$ 36,613.25</b>				

# Review the JOC Quote!



CCI location



Division 1



Coefficient



Adjustment Factors



O & P Pricing



Data release (most recent)

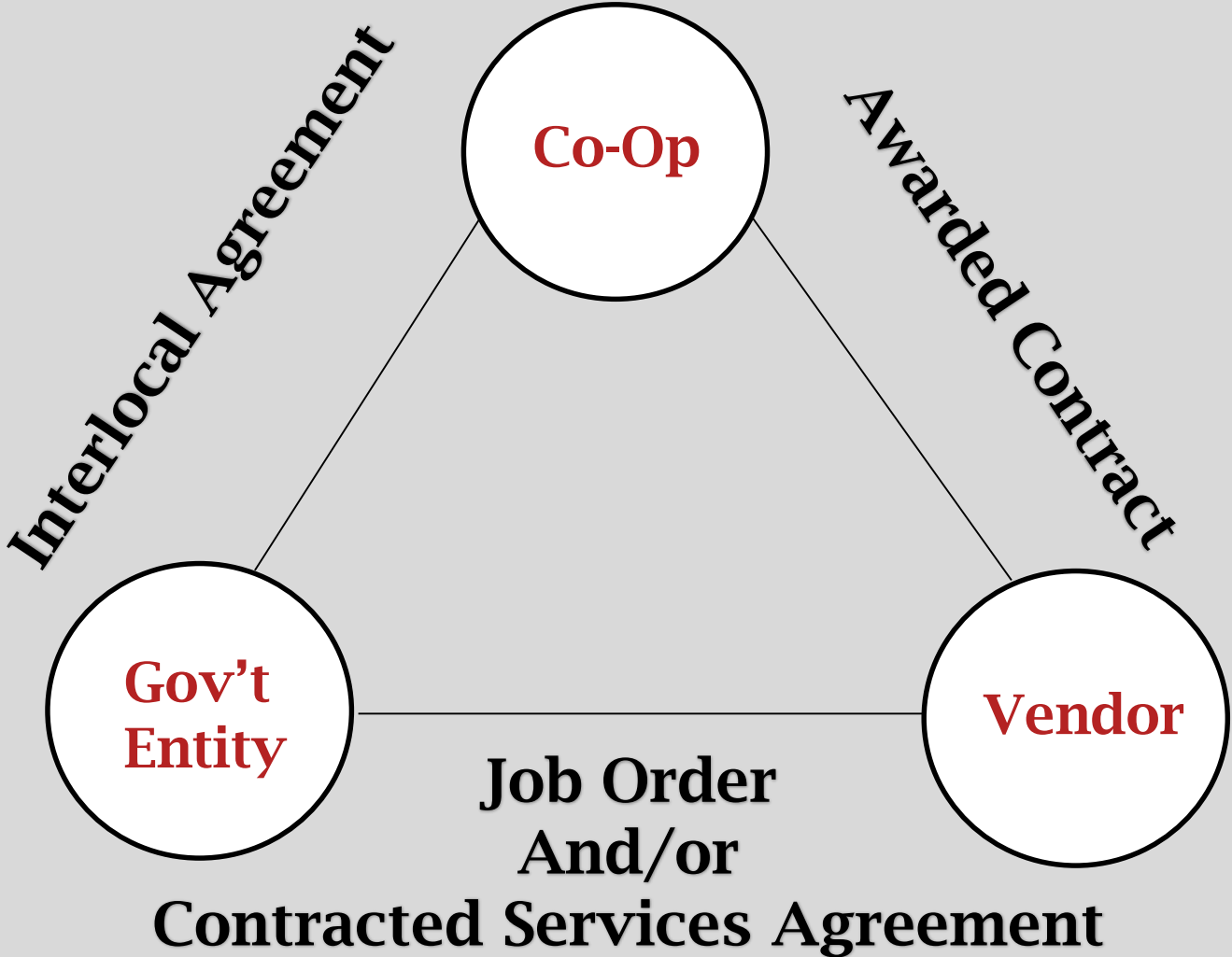


Non pre-priced items



Attempts to pass-through co-op fee

# The Relationships





# Use A Master Job Order Contract!

- Contains Gov't Entity 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 and Vendor

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

TEX. GOV'T CODE § 2269.410



# The Job Order

- The **Job Order** is an attachment to the Job Order Contract (typically Attachment “A”):
  - Formally written
  - Project-specific
  - Owner authorization to provide a lump sum, fixed priced estimate
  - Based on the owner/contractor team’s defined scope of work.
  - Include Owner’s adopted prevailing wage rates as an attachment (required on all Public Works Projects) – Typically Attachment “B”



# 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 and Gov't entity is not a municipality or joint board
  - A contract is in excess of \$50,000 and the Gov't entity is a municipality or 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 CSP)**
- 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
- For school districts, board may act to delegate all of the above powers (CH or CV Local)
- **Job Orders (including cooperative purchases) in excess of \$500,000**



# 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

# Bidding vs. Quoting

## Bid / Proposal:

- formal
- written
- sealed response
- satisfies the state's procurement requirements
- When using federal funds, must be 2 CFR Part 200 (EDGAR) compliant

## Quote:

- job-specific price in writing
- based on vendor's previously bid & awarded contract coefficient
- When using federal funds, one of three quotes must be from a minority-owned or woman-owned business

# Takeaways

- 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
- If utilizing a coop, send a confirming copy of each JOC PO issued to Coop
- Not all Co-ops are created equal, are in State, or are 2 CFR Part 200 (EDGAR) compliant
- Board Approval

**THE FOREGOING PRESENTATION WAS CREATED  
BY HARRIS COUNTY DEPARTMENT OF  
EDUCATION. THIS PRESENTATION IS  
INTENDED TO BE USED SOLELY FOR GENERAL  
INFORMATION PURPOSES AND IS NOT TO BE  
REGARDED AS LEGAL ADVICE. IF SPECIFIC  
LEGAL ADVICE IS SOUGHT, PLEASE CONSULT  
AN ATTORNEY**

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# ChoicePartners.org

## Navigating Choice Partners website

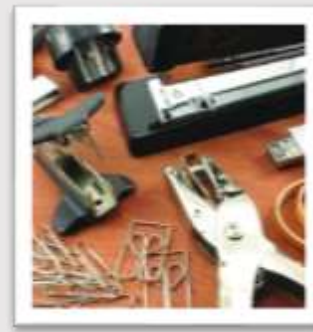
- Requesting Login & password
- Logging in
- Searching contracts and vendors
- Investigating suppliers and documentation



# Supply Catalog

## Supply Catalog

- 1100 line items competitively bid every 2 years
- Single awards
- Catalog Discount Percentage also provided
- eCatalog system allows members to create draft orders







**Looking forward to working with you!**

**[www.choicepartners.org](http://www.choicepartners.org)**

**Contact  
Choice Partners  
and get started!**



# Contact information



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