



# Public Building Commission of Chicago

Job Order Contracting (JOC) Program  
April 20, 2011





# PUBLIC BUILDING COMMISSION OF CHICAGO

Job Order Contracting (JOC) Program  
April 20, 2011

## Welcome

PAUL SPIELES,

Chief Operating Officer, PBC



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## Agenda

### WELCOME

PAUL SPIELES, *CHIEF OPERATING OFFICER, PBC*

### JOC PROGRAM OVERVIEW

DON WILSON, *DEPUTY DIRECTOR FOR CONSTRUCTION SERVICES, PBC*

### PBC DIVERSITY PROGRAM

CHUCK KELLY, *DEPUTY DIRECTOR OF ADMINISTRATION, PBC*

### QUESTION AND ANSWER

### NETWORKING: PREQUALIFIED GC'S & SUBCONTRACTORS



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## JOC Program Overview

*—Don Wilson, Deputy Director  
for Construction Services, PBC*

- What is the PBC Job Order Contracting Program?
- Who are the PBC JOC Contractors?
- How are Opportunities Created for Subcontractors?

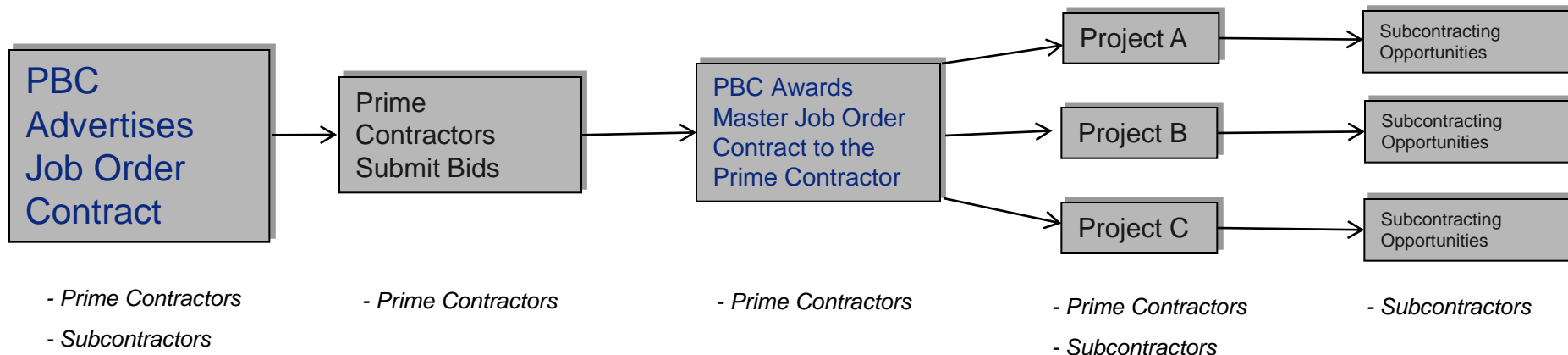


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## The JOC Process

- Competitively Bid Contract
  - Indefinite Quantity–No Projects At the Time of Bidding
  - Bidders Bid an Adjustment Factor to Pre-established, Pre-priced Work Tasks
  - Contract Awarded to the Bidders with the Lowest Adjustment Factor
- When a Contractor is Assigned a Project, He/She Contacts Subcontractors to Look at the Work and Provide a Quote.





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## The PBC JOC Contracts and Contractors

- Demolition/Site Preparation and Campus Park Contracts
  - Four Contracts
    - Each contract good for One Year or Not to Exceed \$6,000,000, whichever comes first

F.H. Paschen, SN Nielsen	8725 W. Higgins Rd., Suite 200 Chicago, IL 60631	773-444-3474 FAX: 773-714-0957	Leo Wright Rick Winkler Mike Platt Sean Murray
Rossi Contractors, Inc.	201 W. Lake St. Northlake, IL 60164	773-287-7545 Fax: 708-562-1965	Don Dugan Anna Galloway
McDonough Demolition	1269 W. Le Moyne St. Chicago, IL 60640	773-276-7707 Fax: 773-276-7723	John Tisdall Dan Matuz Candice Falk Rudy Smolka
Pacific Construction Services	4700 N. Ravenswood, Suite B Chicago, IL 60640	773-290-1600 Fax: 773-290-1555	Nick Cosek Ike Hong



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## The PBC JOC Contracts and Contractors

- Facility Renovation JOC Contracts
  - Three Contracts Awarded in March 2009
  - Each Contract was renewed for One Year or Not to Exceed \$20,000,000, whichever comes first

F.H. Paschen, SN Nielsen	8725 W. Higgins Rd., Suite 200 Chicago, IL 60631	773-444-3474 FAX: 773-714-0957	Leo Wright Rick Winkler Mike Platt Sean Murray
Pacific Construction Services	4700 N. Ravenswood, Suite B Chicago, IL 60640	773-290-1600 Fax:773-290-1555	Nick Cosek Ike Hong
Leopardo Companies, Inc.	333 W. Wacker Drive, Suite 250 Chicago IL, 60202	312-332-7570 Fax: 312-332-7572	Mike Carlson



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## JOC Encourages Subcontracting

- JOC Simplifies the Procurement Process for the PBC Allowing Them to Procure More Work in a Shorter Period of Time
- JOC Involves Multiple Projects on Multiple Sites Simultaneously
- Because No Projects are Identified at the Time of Bidding, the JOC Contractor Cannot Staff Up to Self Perform
- JOC Contractor Utilizes Subcontracting Community





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## JOC Subcontractor Participation (2007 to Present)

Job Order Value	No. of Job Orders	No. of Subcontracts	No. of M/WBE Subcontractors	% of M/WBE Subcontracts
> \$100k	153	125	86	69%
< \$100k	288	805	376	47%
<b>Total</b>	<b>441</b>			



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## JOC Subcontractor Participation (2007 to Present)

<b>M/WBE JOC Contractor Participation</b>			
	<b>MBE</b>	<b>WBE</b>	<b>Total M/WBE</b>
<b>Goal</b>	24%	4%	<b>28%</b>
<b>Actual</b>	32%	10%	<b>42%</b>



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## Summary

- The PBC JOC Program:
  - Provides Numerous Opportunities for Subcontractors – Many Projects
  - Each Major Project Results, on Average, in Six Subcontracting Opportunities
  - Exceeds the Stated M/WBE Goals
  - Encourages the JOC Prime Contractors to Subcontract to Different Subcontractors – Several Projects Being Constructed Simultaneously



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## PBC Diversity Program

—*Chuck Kelly, Deputy Director of Administration, PBC*



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## Building Community: Program Objectives

- Levels the playing field for all firms
- Builds competition through capacity building
- Diversify the skilled trades
- Support community hiring
- Economic sustainability
- Local business hiring



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## Certification Requirements



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## M/WBE Certifications

- City of Chicago
- State of Illinois – Central Management Services
- Cook County
- Chicago Minority Business Dev. Council
- Women Business Development Council
- Metropolitan Water Reclamation District



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## Employment Program





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## Equal Employment Opportunity (EEO) Program

- Award Criteria:
  - Utilization of Minority and Female Workers
- EEO Program:
  - Bid incentives for JOC General Contractors (GCs) to employ up to 50% minority workers and up to 10% female workers
  - Participating JOC GCs can receive a bid incentive of up to 4.8% of the base bid amount.



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## City of Chicago Residency Requirement

- Requirement
  - The JOC GC must employ 50% of the total work force using city residents.
  - Measured by total hours worked.



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## Community Hiring Bonus Program

- Non-Federally Funded Projects
- Voluntary Bonus Program:
  - JOC GCs are:
    - Must provide 7.5% of the total labor hours using residents of the project's community.
  - JOC GCs who:
    - Employ existing minority and/or female laborer, apprentice or journey worker and
    - Who reside in the project community
    - Will receive a half hour bonus for one hour worked
  - JOC GCs who:
    - Employ minorities and/or females
    - Who are new to an apprenticeship program and
    - Who reside in the project community
    - Will receive a one hour bonus for one hour worked



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## Monitoring, Reporting and Enforcement



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## Reporting Requirements

- M/WBE:
  - M/WBE Utilization Plan submitted with quote
  - Current Letters of Certifications
  - Schedule A: Contractor's Sworn Statements for Partial Payment and Partial Waivers of Lien
  - Electronic Confirmation of Payments on M/WBE Utilization
- EEO:
  - Electronic submission of weekly certified payrolls via LCP Tracker
  - Certificate of Apprenticeship from U.S. Department of Labor, Bureau of Apprenticeship and Training



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## M/WBE

- Monitoring:
  - Disclosure of Subcontractor/Supplier's prior to mobilization
  - Formal Substitution Procedure
  - Random site reviews by Equal Employment Opportunity Officer
  - Review and approval of Sworn Statements prior to payment of invoice
- Reporting:
  - M/WBE Commitment versus Actual Reporting
- Enforcement Mechanisms
  - Responsible Vendor: M/WBE past performance reviewed



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## EEO

- Monitoring:
  - Random site reviews by Equal Employment Opportunity Officer
- Reporting:
  - Certified Payrolls submitted by Contractor via Website
  - EEO reports generated via LCP Tracker
- Enforcement Mechanisms
  - Assessment of Liquidated Damages for EEO and City residency non-compliance
  - Responsible Vendor: EEO and City residency liquidated damages assessments reviewed



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Q & A



