



Illinois Tollway  
**DIVERSITY**

*Driving Economic Opportunities*

---

**BUILDING FOR SUCCESS**

---

**Job Order Contracting Roadway and Facilities  
Program Training**

July 11, 2022

# HOUSEKEEPING RULES



## Housekeeping Rules

---



# WELCOME & INTRODUCTIONS

## Job Order Contracting Roadway and Facilities Program Training

---

Freeman Banks  
Gordian Senior  
Account  
Manager



---

**Job Order Contracting (JOC) Training**  
**Gordian**

# Why JOC Works for the Tollway

## ■ Why JOC works for the Tollway

- ❑ Fixed-priced, fast-track procurement process
- ❑ Job orders are lump sum
- ❑ Ability to accomplish substantial number of individual projects with single competitively bid contract
- ❑ On-call contractors ready to perform series of projects at different locations for competitively bid prices
- ❑ Contractor has continuing financial incentive to provide
  - Responsive services
  - Accurate proposals
  - Quality work on time
  - Timely close out

---

# Contractor Benefits

## ■ Why JOC works for contractors

- Profit is a function of volume
- Volume is driven by performance and quality
- Reduced risk by having the ability to provide input during project scope development

---

# Subcontractor Benefits

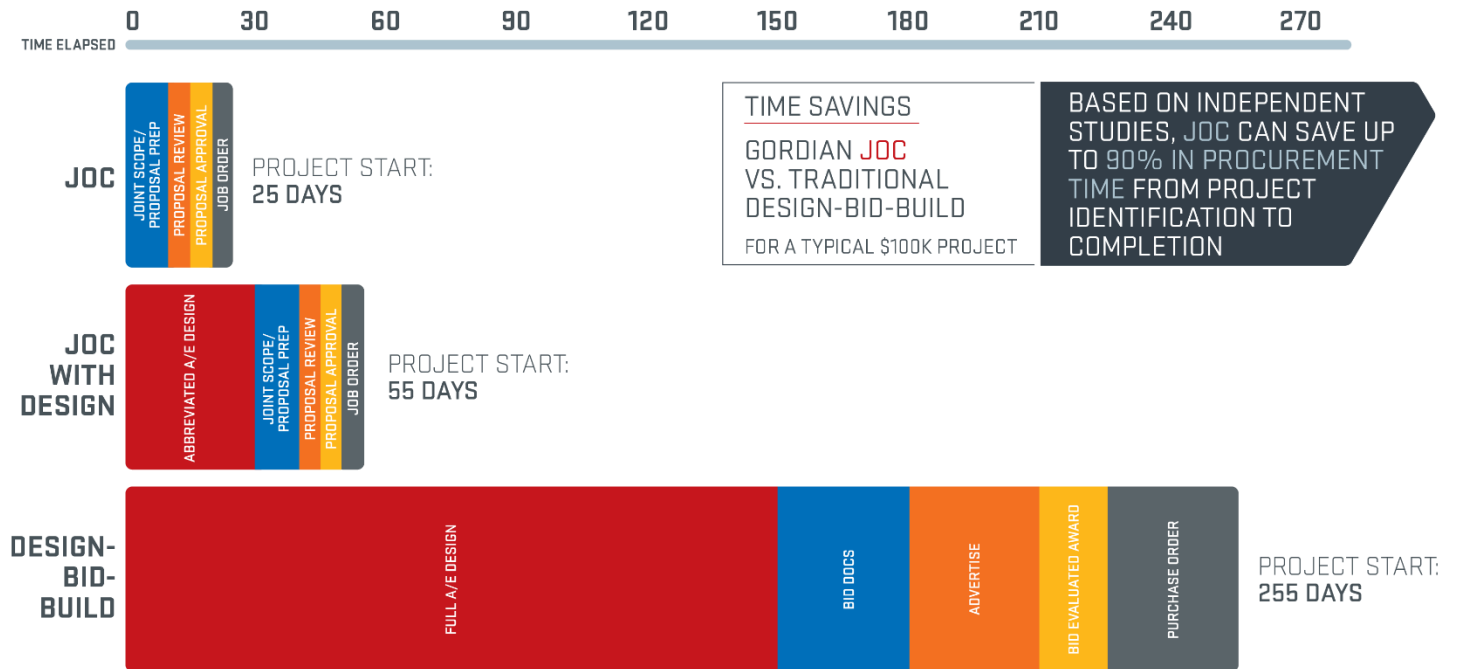
## ■ Why JOC works for subcontractors

- Quick responsiveness requires multiple local subcontractors
- Wide range of projects means variety of subcontractors
- Results in greater number of subcontractor opportunities
- Multiple projects on multiple sites simultaneously

# JOC Benefits – Efficiency

## ■ Time savings

- Faster procurement = weeks instead of months





# The JOC Process

## ■ JOC is an umbrella contract

**Part 1**  
Bidding the Umbrella  
Job Order Contract

Owner  
Advertises  
Job Order  
Contract



Contractors  
Submit  
Bids



Owner  
Awards  
Umbrella  
Job Order  
Contract

**Part 2**  
Procuring Individual  
Projects From Owner

Owner  
Project A

Subcontracting  
Opportunities

Owner  
Project B

Subcontracting  
Opportunities

Owner  
Project C

Subcontracting  
Opportunities

# JOC Process – How is Work Done?

- Joint scope meeting with Tollway, contractor and others to define detailed scope of work
- Tollway issues job order proposal request for agreed-upon, detailed scope of work
- Proposal development
  - Typical proposal due two weeks from job order proposal request
- Proposal review



# JOC Contract Documents

## ■ Construction Task Catalog

- Catalog of pre-priced construction tasks
- Organized by Construction Specifications Institute
- Based on local labor, material and equipment costs
- Tasks represent the “scope of work” for the JOC contract



# Understanding the Construction Task Catalog®

- Contractor must review and understand “Using the Construction Task Catalog®”
- Rules of the game
- Make sure you get paid for all appropriate tasks
- Pages 00–1 to 00-8 of the CTC



**GORDIAN®**


**Using The Construction Task Catalog®**

**About the CTC:**

- ☑ This Construction Task Catalog® (CTC) was developed and customized by The Gordian Group, Inc. specifically for **Owner**, priced locally using current labor, material and equipment costs, and published in Month 2017.
- ☑ The Gordian Group, Inc. licenses the use of this CTC and other proprietary information and software for the sole purpose of providing Job Order Contracting services to **Owner**. Use of this CTC and other proprietary information and software for any other purpose, or for any other entity, is expressly prohibited without the express written consent of The Gordian Group, Inc.

**MasterFormat™**

- ☑ The tasks in this Construction Task Catalog are organized using CSI's *MasterFormat*.

 MasterFormat® is produced jointly by CSI and Construction Specifications Canada (CSC). U.S. copyright is held by CSI and Canadian copyright by CSC. All Rights Reserved. For license information, contact CSI at [csi@csimail.org](mailto:csi@csimail.org). For more information on MasterFormat visit [www.MasterFormat.com](http://www.MasterFormat.com).

**The Unit Prices Include:**

**LABOR COSTS:**

- ☑ Labor costs include direct labor through the working foreperson level at straight-time prevailing wage rates including fringe benefits and an allowance for Social Security, Medicare taxes, worker's compensation, unemployment insurance, and employee benefits.
- ☑ Labor costs include unloading equipment, materials, and tools, and transporting the same up or down 2 1/2 stories and 125' to reach the project site; layout; measuring and cutting to fit; performing the task; disposal of excess material; and time for lunch and break.

**EQUIPMENT COSTS:**

- ☑ Equipment costs include all equipment required to accomplish the task.
- ☑ Mobilization is included for all equipment except large equipment (e.g. cranes, bulldozers, excavators, backhoes, bobcats etc.), which exclude mobilization.
- ☑ Equipment costs include all operating expenses such as fuel, electricity, lubricants, etc.

**MATERIAL COSTS:**

- ☑ Material costs include the cost of the material, delivery, and all incidentals and accessories integral to the installation.
- ☑ Material costs include manufacturer's and/or fabricator's shop drawings.
- ☑ Material costs for roofing, drywall, VCT, carpet, wall covering, ceiling tile, pipe, conduit, concrete, etc. include an allowance for waste. This list is not intended to be all inclusive, but descriptive of the types of construction materials that are typically sold in standard lengths, sizes and weights.
- ☑ Material costs for imported materials (e.g. aggregate, sand, soil, etc.) include delivery up to 15 miles from the closest approved source.

**The Adjustment Factors Include:**

The Adjustment Factors include the following costs, unless specifically excluded by the terms of the Contract Documents.

**BUSINESS COSTS:**

- ☑ Office overhead, including, but not limited to, office space, office equipment, office and management personnel, office supplies, and employee transportation.
- ☑ Insurance and bonding.
- ☑ Profit.

copyright © 2017 The Gordian Group, Inc.

**Owner** **Page 00 - 1**

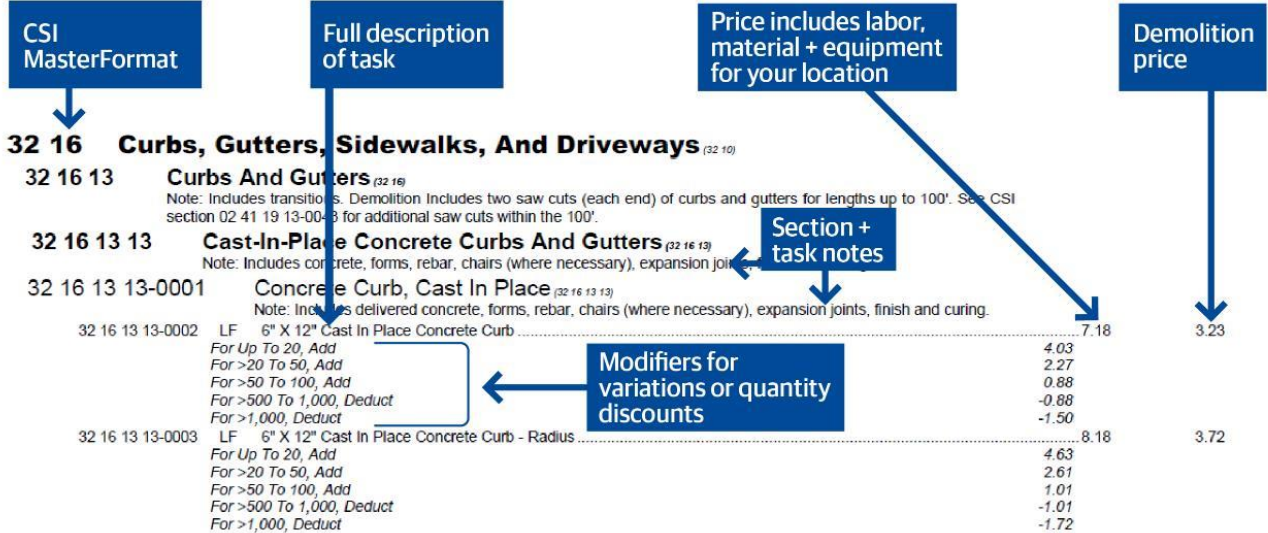
# JOC Contract Documents

## Construction Task Catalog

### Sample Task

Exterior Improvements	32	32
Bases, Ballasts, And Paving	32 10	
Unit Paving	32 14	

MINOR CSI UOM DESCRIPTION	TOTAL DIRECT UNIT COST	DEMOLITION UNIT COST
<b>32 16 Curbs, Gutters, Sidewalks, And Driveways</b> <small>(32 10)</small>		
<b>32 16 13 Curbs And Gutters</b> <small>(32 16)</small>		
<small>Note: Includes transitions. Demolition Includes two saw cuts (each end) of curbs and gutters for lengths up to 100'. See CSI section 02 41 19 13-00-3 for additional saw cuts within the 100'.</small>		
<b>32 16 13 13 Cast-In-Place Concrete Curbs And Gutters</b> <small>(32 16 13)</small>		
<small>Note: Includes concrete, forms, rebar, chairs (where necessary), expansion joints.</small>		
<b>32 16 13 13-0001 Concrete Curb, Cast In Place</b> <small>(32 16 13 13)</small>		
<small>Note: Includes delivered concrete, forms, rebar, chairs (where necessary), expansion joints, finish and curing.</small>		
32 16 13 13-0002 LF 6" X 12" Cast In Place Concrete Curb .....	7.18	3.23
<small>For Up To 20, Add</small>	4.03	
<small>For &gt;20 To 50, Add</small>	2.27	
<small>For &gt;50 To 100, Add</small>	0.88	
<small>For &gt;500 To 1,000, Deduct</small>	-0.88	
<small>For &gt;1,000, Deduct</small>	-1.50	
32 16 13 13-0003 LF 6" X 12" Cast In Place Concrete Curb - Radius .....	8.18	3.72
<small>For Up To 20, Add</small>	4.63	
<small>For &gt;20 To 50, Add</small>	2.61	
<small>For &gt;50 To 100, Add</small>	1.01	
<small>For &gt;500 To 1,000, Deduct</small>	-1.01	
<small>For &gt;1,000, Deduct</small>	-1.72	



# JOC Contract Documents

## ■ Construction Task Catalog

### □ Sample Task

32 16 23 00-0002	4" Cast In Place Concrete Sidewalk	SF	\$5.06	400	\$2,024.00	
	For Quantities 100 to 500, Add	SF	\$2.04	400	\$816.00	
32 11 16 00-0015	4" Crushed Aggregate Base	SF	\$0.63	400	\$252.00	
	For Quantities Under 1000	SF	\$0.18	400	\$72.00	
01 71 13 00-0003	Mobilize Backhoe	EA	\$402.63	1	\$402.63	
31 23 16 36-0006	Excavation by Backhoe	CY	\$3.75	11	\$41.25	
	For Quantities Under 20 CY, Add	CY	\$3.75	11	\$41.25	
31 23 16 36-0028	Loading Excess Materials	CY	\$3.42	13.75	\$47.03	
	For Quantities Under 20 CY, Add	CY	\$3.42	13.75	\$47.03	
01 74 19 00-0029	Hauling to Dump Site	CYM	\$0.51	207	\$105.57	
01 74 19 00-0021	Landfill Dump Fee	CY	\$15.14	13.75	\$208.18	\$4,056.93
						/400
						\$10.14

Compare these prices

# JOC Contract Documents

## Understanding the General Rules of the Construction Task Catalog®:

- Unit Prices are for Complete and In-Place Construction
- Unit Prices Include Labor, Material and Equipment. Do Not Add Labor to Repointing Task.
- Unit Prices Include the Cost of Delivery to Project Site, Unloading, Storage and Handling. Delivery Height is up to 2 Stories
- Unit Prices Include Testing, Calibration, Balancing Etc. for New Work
- Unit Prices Include all Fasteners, Bolts, Anchors, Adhesives Etc. For New Work
- Unit Prices for Tasks Such as Windows, Doors, Frames, Countertops Etc. Include Sealant and Caulk

**GORDIAN®**


**Using The Construction Task Catalog®**

**About the CTC:**

- ☑ This Construction Task Catalog® (CTC) was developed and customized by The Gordian Group, Inc. specifically for **Owner**, priced locally using current labor, material and equipment costs, and published in Month 2017.
- ☑ The Gordian Group, Inc. licenses the use of this CTC and other proprietary information and software for the sole purpose of providing Job Order Contracting services to **Owner**. Use of this CTC and other proprietary information and software for any other purpose, or for any other entity, is expressly prohibited without the express written consent of The Gordian Group, Inc.

**MasterFormat™**

- ☑ The tasks in this Construction Task Catalog are organized using CSI's *MasterFormat*.

 MasterFormat® is produced jointly by CSI and Construction Specifications Canada (CSC). U.S. copyright is held by CSI and Canadian copyright by CSC. All Rights Reserved. For license information, contact CSI at [csi.com](http://csi.com). For more information on MasterFormat visit [www.masterformat.com](http://www.masterformat.com).

**The Unit Prices Include:**

**LABOR COSTS:**

- ☑ Labor costs include direct labor through the working foreperson level at straight-time prevailing wage rates including fringe benefits and an allowance for Social Security, Medicare taxes, worker's compensation, unemployment insurance, and employee benefits.
- ☑ Labor costs include unloading equipment, materials, and tools, and transporting the same up or down 2 1/2 stories and 125' to reach the project site; layout; measuring and cutting to fit; performing the task; disposal of excess material; and time for lunch and breaks.

**EQUIPMENT COSTS:**

- ☑ Equipment costs include all equipment required to accomplish the task.
- ☑ Mobilization is included for all equipment except large equipment (e.g. cranes, bulldozers, excavators, backhoes, bobcats etc.), which exclude mobilization.
- ☑ Equipment costs include all operating expenses such as fuel, electricity, lubricants, etc.

**MATERIAL COSTS:**

- ☑ Material costs include the cost of the material, delivery, and all incidentals and accessories integral to the installation.
- ☑ Material costs include manufacturer's and/or fabricator's shop drawings.
- ☑ Material costs for roofing, drywall, VCT, carpet, wall covering, ceiling tile, pipe, conduit, concrete, etc. include an allowance for waste. This list is not intended to be all inclusive, but descriptive of the types of construction materials that are typically sold in standard lengths, sizes and weights.
- ☑ Material costs for imported materials (e.g. aggregate, sand, soil, etc.) include delivery up to 15 miles from the closest approved source.

**The Adjustment Factors Include:**

The Adjustment Factors include the following costs, unless specifically excluded by the terms of the Contract Documents:

**BUSINESS COSTS:**

- ☑ Office overhead, including, but not limited to, office space, office equipment, office and management personnel, office supplies, and employee transportation.
- ☑ Insurance and bonding.
- ☑ Profit.

Month 2017 copyright © 2017 The Gordian Group, Inc.

**Owner** **Page 00 - 1**

# JOC Contract Documents

## Understanding the General Rules of the Construction Task Catalog®:

- Demo Price Includes Loading into Truck or Dumpster.
- If Item Demolished as Part of Different Task, It will Not be Paid for Separately
- Contractor Paid for Installed Quantities Only. Waste is Included in Unit Price
- Assembly Prices take Precedence over Component Pricing
- 14' Working Height for All Work Except Masonry
- 4' Working Height for Masonry
- Dumpsters are a Separate Task

**GORDIAN®**


**Using The Construction Task Catalog®**

**About the CTC:**

- ☑ This Construction Task Catalog® (CTC) was developed and customized by The Gordian Group, Inc. specifically for **Owner**, priced locally using current labor, material and equipment costs, and published in Month 2017.
- ☑ The Gordian Group, Inc. licenses the use of this CTC and other proprietary information and software for the sole purpose of providing Job Order Contracting services to **Owner**. Use of this CTC and other proprietary information and software for any other purpose, or for any other entity, is expressly prohibited without the express written consent of The Gordian Group, Inc.

**MasterFormat™**

- ☑ The tasks in this Construction Task Catalog are organized using CSI's *MasterFormat*.

 MasterFormat® is produced jointly by CSI and Construction Specifications Canada (CSC). U.S. copyright is held by CSI and Canadian copyright by CSC. All Rights Reserved. For license information, contact CSI at [csi@csigroup.org](mailto:csi@csigroup.org). For more information on MasterFormat visit [www.MasterFormat.com](http://www.MasterFormat.com)

**The Unit Prices Include:**

**LABOR COSTS:**

- ☑ Labor costs include direct labor through the working foreperson level at straight-time prevailing wage rates including fringe benefits and an allowance for Social Security, Medicare taxes, worker's compensation, unemployment insurance, and employee benefits.
- ☑ Labor costs include unloading equipment, materials, and tools, and transporting the same up or down 2 1/2 stories and 125' to reach the project site; layout; measuring and cutting to fit; performing the task; disposal of excess material; and time for lunch and breaks.

**EQUIPMENT COSTS:**

- ☑ Equipment costs include all equipment required to accomplish the task.
- ☑ Mobilization is included for all equipment except large equipment (e.g. cranes, bulldozers, excavators, backhoes, bobcats etc.), which exclude mobilization.
- ☑ Equipment costs include all operating expenses such as fuel, electricity, lubricants, etc.

**MATERIAL COSTS:**

- ☑ Material costs include the cost of the material, delivery, and all incidentals and accessories integral to the installation.
- ☑ Material costs include manufacturer's and/or fabricator's shop drawings.
- ☑ Material costs for roofing, drywall, VCT, carpet, wall covering, ceiling tile, pipe, conduit, concrete, etc. include an allowance for waste. This list is not intended to be all inclusive, but descriptive of the types of construction materials that are typically sold in standard lengths, sizes and weights.
- ☑ Material costs for imported materials (e.g. aggregate, sand, soil, etc.) include delivery up to 15 miles from the closest approved source.

**The Adjustment Factors Include:**

The Adjustment Factors include the following costs, unless specifically excluded by the terms of the Contract Documents:

**BUSINESS COSTS:**

- ☑ Office overhead, including, but not limited to, office space, office equipment, office and management personnel, office supplies, and employee transportation.
- ☑ Insurance and bonding.
- ☑ Profit.

Month 2017 copyright © 2017 The Gordian Group, Inc.

**Owner** **Page 00 - 1**



# JOC Contract Documents

## Understanding the General Rules of the Construction Task Catalog®: Contractors Never Get Paid Separately For the Following

- Moving and Returning Furniture Occupying Less than 55% of Floor Area. For Example, Moving Classroom Furniture to Paint
- Labor for Protecting Work in Place. For Example, a Laborer to Stay After a Concrete Pour
- Minor Barricades and Signage
- Portable Toilet, Field Office, Field Office Equipment for Contractor's Use
- Layout, Site Engineering for the Work Itself

**GORDIAN**

Using The Construction Task Catalog®

**About the CTC:**

- ☑ This Construction Task Catalog® (CTC) was developed and customized by The Gordian Group, Inc. specifically for **Owner**, priced locally using current labor, material and equipment costs, and published in Month 2017.
- ☑ The Gordian Group, Inc. licenses the use of this CTC and other proprietary information and software for the sole purpose of providing Job Order Contracting services to **Owner**. Use of this CTC and other proprietary information and software for any other purpose, or for any other entity, is expressly prohibited without the express written consent of The Gordian Group, Inc.

**MasterFormat™**

- ☑ The tasks in this Construction Task Catalog are organized using CSI's *MasterFormat*.

**CSI** MasterFormat® is produced jointly by CSI and Construction Specifications Canada (CSC). U.S. copyright is held by CSI and Canadian copyright by CSC. All Rights Reserved. For license information, contact CSI at [info@csi.com](mailto:info@csi.com). For more information on MasterFormat visit [www.MasterFormat.com](http://www.MasterFormat.com).

**The Unit Prices Include:**

**LABOR COSTS:**

- ☑ Labor costs include direct labor through the working foreperson level at straight-time prevailing wage rates including fringe benefits and an allowance for Social Security, Medicare taxes, worker's compensation, unemployment insurance, and employee benefits.
- ☑ Labor costs include unloading equipment, materials, and tools, and transporting the same up or down 2 1/2 stories and 125' to reach the project site; layout, measuring and cutting to fit, performing the task, disposal of excess material, and time for lunch and breaks.

**EQUIPMENT COSTS:**

- ☑ Equipment costs include all equipment required to accomplish the task.
- ☑ Mobilization is included for all equipment except large equipment (e.g. cranes, bulldozers, excavators, backhoes, bobcats etc.), which exclude mobilization.
- ☑ Equipment costs include all operating expenses such as fuel, electricity, lubricants, etc.

**MATERIAL COSTS:**

- ☑ Material costs include the cost of the material, delivery, and all incidentals and accessories integral to the installation.
- ☑ Material costs include manufacturer's and/or fabricator's shop drawings.
- ☑ Material costs for roofing, drywall, VCT, carpet wall covering, ceiling tile, pipe, conduit, concrete, etc. include an allowance for waste. This list is not intended to be all inclusive, but descriptive of the types of construction materials that are typically sold in standard lengths, sizes and weights.
- ☑ Material costs for imported materials (e.g. aggregate, sand, soil, etc.) include delivery up to 15 miles from the closest approved source.

**The Adjustment Factors Include:**

The Adjustment Factors include the following costs, unless specifically excluded by the terms of the Contract Documents:

**BUSINESS COSTS:**

- ☑ Office overhead, including, but not limited to, office space, office equipment, office and management personnel, office supplies, and employee transportation.
- ☑ Insurance and bonding
- ☑ Profit.

Month 2017 copyright © 2017 The Gordian Group, Inc.

**Owner** **Page 00 - 1**

# JOC Contract Documents

## ■ Technical Specifications

- Specifies quality of materials and workmanship
- Corresponds with tasks in the Construction Task Catalog<sup>®</sup>



# JOC Process – How is JOC Bid?

## ■ Award based on competitive bid

- Must bid three adjustment factors
  - Normal working hours: 7 a.m. to 4 p.m. Monday to Friday
  - Other-than-normal working hours: 4:01 p.m. to 6:59 a.m. Monday to Friday and all-day Saturday, Sunday and holidays
  - Non-pre-priced adjustment factor
- First two adjustment factors apply to all tasks in the CTC
- Third adjustment factor applies to tasks not currently in the CTC
- Each adjustment factor is weighted to create an award criteria figure
- Lowest award criteria figure from a responsive, responsible bidder(s) wins



# Non Pre-Priced Tasks

- **Contractor must have permission from Tollway to use non-pre-priced task prior to submission**
- **Three quotes on vendors' or subcontractors' letterhead**
- **Justification for less than three quotes**
- **Contractor is paid the amount in the following formula**
  - Final price submitted for non-pre-priced tasks shall be according to the following formula
  - **For non-pre-priced tasks performed with contractor's own workforce**
    - A – Hourly rate for each trade classification not in the Construction Task Catalog multiplied by the quantity
    - B – Rate for each piece of equipment not in the Construction Task Catalog multiplied by the quantity
    - C – Lowest of three independent quotes for all materials
    - Total for a non-pre-priced tasks performed with contractor's own workforce –  $(A+B+C) \times$  non-pre-priced task adjustment factor
  - **For non-pre-priced tasks performed by subcontractors**
    - If the non-pre-priced task is to be subcontracted, the contractor must submit three independent quotes
    - D – Lowest of three subcontractor quotes
    - Total cost for non-pre-priced tasks performed by subcontractors =  $D \times$  non-pre-priced task adjustment factor

---

# JOC Details

- **Prior to any solicitation, the Tollway cannot**

- Identify or commit to any specific project or location
- Identify or commit to any specific CTC tasks or quantities

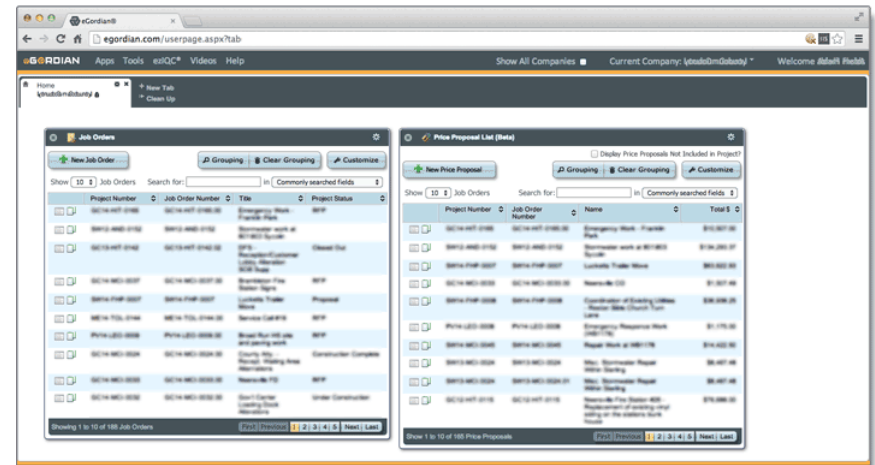
- **Differing site conditions or changes in scope**

- Priced from Construction Task Catalog®
- Supplemental job order
- No negotiated change orders

# Software Details

Internet Based Software Provided with Contract

- eGordian® Software Expedites the Job Order Process
  - Job Order Price
  - Subcontractor Lists
  - Tracking Dates
  - Required Job Order Forms
- Training provided



# Contractor License Fee

- **Access to eGordian<sup>®</sup>, Construction Task Catalog<sup>®</sup>, other proprietary materials**
  - Most advanced technology and data in the marketplace
  - Paperless
  - Efficient
  - Tasks and prices input directly – no fishing through old files and estimating books for costs
- **JOC process training**
- **eGordian<sup>®</sup> software training**
- **Included in the contractor's adjustment factor**
  - Consider with the bid as an overhead cost
  - 1% percent** of job order price on all work issued

# Methods to Calculate Bid – Adjustment Factors

## Recommended Method

### ■ 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

## Alternative 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 – CTC Price vs. Quotes.

## Direct cost of work from CTC

■ Replace boiler	\$ 48,911.43
■ Doors and hardware	\$ 9,748.46
■ Lighting	\$ 15,845.00
■ Plumbing	\$14,986.76

TOTAL = \$ 89,491.65

## Direct cost of work from quotes or estimates

■ Replace boiler	\$ 47,500.00
■ Doors and hardware	\$ 9,250.00
■ Lighting	\$ 16,750.00
■ Plumbing	\$ 15,500.00

TOTAL = \$ 89,000.00



# Sample Project – Putting It All Together

A.	Direct cost of work from quotes	\$89,000.00
B.	Overhead 10 percent*	<u>\$ 8,900.00</u>
C.	Subtotal (cost and overhead)	\$97,900.00
D.	Profit 10 percent*	<u>\$ 9,790.00</u>
E.	Subtotal (cost, overhead and profit)	\$107,690.00
F.	Price from CTC	\$89,491.65

Adjustment factor (= E/F) = 1.2034

\*Sample only. Contractor to determine overhead and profit.

Prepare this calculation for more than one sample project.



# Filling Out the Bid Form

**\*Sample Only**

	Adjustment Factor Name	Adjustment Factor Bid	X Multiplier	= Extended Total
1.	Adjustment Factor for Normal Working Hours	<u>1</u> . <u>2</u> <u>0</u> <u>3</u> <u>4</u>	X 0.60	= <u>0</u> . <u>7</u> <u>2</u> <u>2</u> <u>0</u>
2.	Adjustment Factor for Other Than Normal Working Hours <i>must be equal to or greater than the Normal Working Hours Adjustment Factor</i>	<u>1</u> . <u>2</u> <u>4</u> <u>8</u> <u>4</u>	X 0.30	= <u>0</u> . <u>3</u> <u>7</u> <u>4</u> <u>5</u>
3.	Adjustment Factor for Non Pre-priced Tasks <i>must be greater than or equal to 1.0000</i>	<u>1</u> . <u>1</u> <u>5</u> <u>0</u> <u>0</u>	X 0.10	= <u>0</u> . <u>1</u> <u>1</u> <u>5</u> <u>0</u>
<p>Add all the Total amounts in the right column.</p> <p>The Sum of these Total amounts is the Award Criteria Figure.</p>				= <u>1</u> . <u>2</u> <u>1</u> <u>1</u> <u>5</u>



# Individual Job 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 may be canceled
- Understand margins on CTC tasks vary
- Recognize some projects are more profitable than others
- Maintain a fully functioning office
- Maintain a fully functioning staff
- Hold required licenses
- Meet participation goals
- Pay 1% of each job order as a contractor license fee for eGordian® software access

---

# Annual Update of CTC

## CTC and Adjustment Factor

- The Unit Prices in the Construction Task Catalog® issued as part of the bid documents will be in effect for the first year of the Contract.
- Approximately thirty (30) days before the anniversary of the effective date of the Contract, the Unit Prices in the Construction Task Catalog® will be updated and provided to the Tollway for review.
- The updated Unit Prices will take effect on the anniversary date of the Contract. The updated Unit Prices will be effective for one year and will only be used for Job Orders issued during that year.
- The Adjustment Factors bid will remain in effect for the duration of the Contract.

# Contractor Adjustment Factor

## ■ Importance of adjustment factors

- Determines lowest proposed price
- Used to price individual job orders
- Price proposal total becomes the lump-sum job order price

$$\begin{array}{rcccccc} \text{UNIT PRICE} & \times & \text{QUANTITY} & \times & \text{ADJUSTMENT FACTOR} & = & \text{TOTAL FOR TASK} \\ \text{UNIT PRICE} & \times & \text{QUANTITY} & \times & \text{ADJUSTMENT FACTOR} & = & \text{TOTAL FOR TASK} \\ \text{UNIT PRICE} & \times & \text{QUANTITY} & \times & \text{ADJUSTMENT FACTOR} & = & \text{TOTAL FOR TASK} \end{array}$$

---

**TOTAL JOB ORDER PRICE**

---

# Risks of Low Adjustment Factor

- **Leads to disputes in proposal review**
  - ❑ Unsupportable tasks
  - ❑ Exaggerated quantities
- **Leads to delays in job order development**
  - ❑ Takes longer to review proposals
- **Creates an adversarial relationship**
  - ❑ Reduced volume of work
  - ❑ Will shorten contract
  - ❑ Lost profitability
- **No second chance to improve margin**

---

# Review/Key Points

- **Focus on total potential value of the entire contract**
- **Evaluate Construction Task Catalog®**
  - ❑ Analyze unit prices
  - ❑ Know the general guidelines for using the CTC
- **Contractor performance drives volume**
  - ❑ Responsive service
  - ❑ Accurate proposals
  - ❑ Safe and clean project sites
  - ❑ High-quality construction
  - ❑ On-time completion
  - ❑ On-time close-out



---

# Contracting Opportunities Update

## ■ JOC Roadway 21-0068

- Second Prebid Meeting coming up soon, refer to BidBuy Bid Number B-25820 for solicitation specifics

## JOC Facilities 21-0069

- Prebid Meeting coming up, refer to BidBuy Bid Number B-20823 for solicitation specifics.

Questions may be sent to [eboyd@getipass.com](mailto:eboyd@getipass.com)



# QUESTIONS AND ANSWERS

# DIVERSITY AND STRATEGIC DEVELOPMENT

## Programs

- ConstructionWorks
- Diversity Webinar Series
- Earned Credit Program
- Partnering for Growth Program
- ROCIP
- Small Business Initiative
- Technical Assistance Program

## Initiatives

- Virtual outreach sessions
- Training webinars
- Contracting opportunity emails

## Register for Tollway Diversity alerts!

- [lpnce@getipass.com](mailto:lpnce@getipass.com)

Visit [illinoistollway.com](http://illinoistollway.com) to get started



The screenshot shows the Illinois Tollway website's Diversity and Strategic Development page. At the top, there is a navigation bar with the Illinois Tollway logo, a search icon, and a menu icon. Below the navigation bar, the breadcrumb trail reads "Doing Business > Diversity > Diversity Overview". The main heading is "Diversity And Strategic Development". Below the heading, there is a paragraph of text: "The Illinois Tollway Department of Diversity and Strategic Development is a driving force for increasing economic opportunities in the diverse communities we serve." At the bottom of the screenshot, there is a video player with a red play button and a thumbnail image showing three diverse people smiling. The video title is "Illinois Tollway Depart...".



# THANK YOU