



CJE Newsletter

May 2005

Volume 6, Number 1



*Alliance for
Construction
Excellence*

*Del E. Webb School of
Construction*

*Arizona State
University*

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**[http://construction
.asu.edu/ace](http://construction.asu.edu/ace)**

Editor:
Ken Jayne

**Upcoming
JOC Events**

**Business
Meetings**

August 10, 2005
Arlington, VA
Host - Kellogg
Brown & Root:
Rick Farrag

November 2, 2005
Tempe, AZ
Host - ACE/ASU
Gary Aller/Jacki
Houchens

Seminars

June 9 – 10, 2005
San Diego, CA
Fundamentals of
APDM

CJE Goals and Objectives

- Expand the JOC market through the education of potential users and practitioners to the benefits and practices of JOC.
- Encourage the use of 'best value' selection of JOC contractors and consultants by developing an Owner Practices & Procedures Manual including forms, guidelines and documents.
- Continuously improve the industry through performance feedback, education and training.
- Expand membership by enhancing member benefits with publications of CJE goals, activities and results.
- Enhance CJE viability through communication with current, past, and potential members.

CJE Chairman's Corner

By: Charlie Bowers

This article will be a regular feature of the CJE Quarterly Newsletter and each quarter the Industry Chairman will choose a topic of interest to readers and share information, insight and feedback from the industry.

Growth within the JOC industry: As time passes, JOC is becoming more widely accepted and utilized throughout the United States, especially in the public sector of the economy. This JOC "movement" into the public sector is gaining ground all over the country as information and education about the delivery method is more widely presented.

WHY JOC? Public Owners are finding that JOC is indeed a very valuable tool for their toolboxes to help them perform smaller projects on a cost effective and timely basis. As more and more Owners successfully use JOC to meet their needs, the word is spreading about just how to procure and execute work using this innovative delivery method.

There are several key reasons why Owners say they are subscribing to the JOC contracting methodology in increasing numbers. Some of the most frequently stated reasons are as follows:

1. The selection of a JOC contractor is normally done through a qualifications based selection process, and when properly executed, this selection process produces an experienced, financially sound and highly motivated JOC contractor to perform the work.
2. Owners have the ability to use a JOC contractor as an extension of their staff during periods of peak workload to perform work on a timely basis without having to add direct-hire staff.
3. Having a JOC contractor on their team offers Owners the opportunity to get valuable, expert advice on budgets, construction means and methods, materials selection, etc. that might not be readily available with other delivery methods.
4. A JOC is normally procured on a multi-year contract, thus it provides significant savings on the Owner's cost of purchasing construction services while providing time for relationship building between the parties.
5. Since JOC is a performance based project delivery, accomplished on a partnering basis, over an extended period of time, it produces a true Win-Win scenario to the ultimate benefit of all parties involved.
6. JOC is a performance based delivery method, and the work is performed in a non-adversarial environment. Contractor driven change orders and contractor claims are normally very rare with JOC and sometimes they are eliminated altogether.
7. Most Owners report a "noticeable increase" in the quality of work under their successful JOC contracts. This is due mainly to the high likelihood of repeat business for the contractor without having to re-compete for every project and the Owner's direct control over whether

July 6, 2005
Tempe, AZ
Horizontal JOC

September 21,
2005
Tempe, AZ
Vertical JOC

Oct. 13 – 14, 2005
Tempe, AZ
APDM for Public
Works

CJE Steering
Committee
Conference Calls

Monday, June 13
Monday, July 11
Monday Sept. 12
Monday, Oct. 10
Monday, Dec. 12

Visit the CJE
Website at:
[http://construction.
asu.edu/ace](http://construction.asu.edu/ace)

The site is updated frequently and is a source of current information about CJE activities, membership, and other news from the Alliance for Construction Excellence.

the contractor is awarded any follow-on work. Finally, through the JOC process, there is direct incentive for the contractor to provide high quality work and excellent customer service.

Certainly there are additional reasons why Public Owners are procuring JOC's in record numbers to utilize this user friendly, cost effective and non-adversarial delivery method to accomplish their renovation, remodeling and smaller new construction projects. I would be very happy to hear from anyone who reads this article about your own experience and/or your comments about JOC.

Company Profile – Greenway Enterprises

By: Gary Hoovestal

Greenway Enterprises prides itself in its ability to offer the highest quality at a competitive price. We can say this because we have the experience and understanding of modern construction, as well as a foundation of dedicated personnel who all work toward the same end: *quality services and customer satisfaction*

Greenway is a Native American, -woman-owned business, with over two and one-half decades of experience in construction, repair, maintenance and rehabilitation services. We have built our business and reputation by providing individual attention and service to every customer. Greenway is a small business whose top leadership is actively involved in protecting its reputation. Greenway considers its reputation it's strongest asset and will go to great length to protect it. The Greenway Goal is *“To be the most trusted.”*

THE COMPANY

Greenway is a nationally recognized company that designs, constructs, operates and maintains secure, mission-critical facilities, often in hostile environments. Services include: survivability planning, risk and vulnerability analyses, and incorporation of user security policies and procedures; design, integration and installation of electronic controls and security systems; secure design and construction including facility hardening and survivability features; and operations and maintenance of these facilities to meet the most demanding user needs.

Greenway is an ISO 9000 compliant firm and we meet the strictest U.S. Government physical, technical, and security standards.

SERVICES

IDIQ/ JOB ORDER CONTRACTS

Greenway has experience with JOC and Indefinite Delivery/Indefinite Quantity (IDIQ) contracts both domestically and internationally, having successfully completed over hundreds of delivery orders in the last ten years. A listing of these of some these recent contracts is at the end of this article.

FACILITY DESIGN-BUILD

For over a decade Greenway has been a preeminent provider of secure facilities as well as a designer and installer of sophisticated, state-of-the-art security systems. Clients include the U.S. Army Corps of Engineers, the U.S. Navy, the Executive Branch, and the U.S. Department of State for whom Greenway has performed well over \$100,000,000 in construction, renovation and maintenance of embassies and consulates overseas. Other mission-critical facilities include state-of-the-art detention facilities and hospital upgrades for other Federal agencies. We are experienced in designing, building and operating physically and technically hardened and survivable facilities ranging from entire Embassy complexes to secure executive retreats.

OPERATIONS AND MAINTENANCE

The primary reason for operating and maintaining a mission-critical facility is to ensure the protection and functionality of the users and the security of the information they utilize in the performance of their mission. At any time an unauthorized penetration of the facility and its systems may be attempted.

Greenway operates and maintains mission-critical facilities in accordance with user requirements for performance, availability and, most importantly, security. When requested, Greenway specialists can

assist the user in developing and implementing facility-specific operational and maintenance policies and procedures that meet these requirements. Users must at all times be able to safely rely on the facility, and to trust the information system and the personnel responsible for operations and maintenance functions.

LOGISTICS

Greenway also provides comprehensive logistics and construction security services to support its activities in the U.S. and around the world. We understand the importance of a rigorous material security program and have established secure remote delivery and transshipment facilities and a staff trained in these procedures. Our staff includes logistic support specialists, purchasing agents, packing specialists, and security technicians specially trained in security matters. Greenway is also experienced in conducting field operations under armed guard and providing rapid response for salvage and reconstruction efforts immediately following massive terrorist attacks overseas.

Listings of a few recent JOC and IDIQ projects follow:

NAME OF OWNER / CONTACT INFORMATION	CONTRACT TYPE / CONTRACT NO	LOCATION & BRIEF DESCRIPTION	VALUE
THE COOPERATIVE PURCHASING NETWORK (TCPN) 7145 WEST TIDWELL HOUSTON, TX 77092-2096 DOUG RUPE TEL: (713) 744-6356	AREA JOB ORDER CONTRACT MAINTENANCE AND CONSTRUCTION TEXAS AREA E	TEXAS AREA E (AUSTIN, WACO, ABILENE) MAINTENANCE AND CONSTRUCTION FOR THE ENTIRE AREA E INCLUDES ALL DIVISIONS OF CONSTRUCTION	TBD
METROPOLITAN TRANSIT AUTHORITY, HOUSTON, TEXAS 1215 LABCO PO BOX 61429 HOUSTON, TX 77208-1429 JAMES ARENZ, CONTRACTING OFFICER TEL: (713) 739-4893	JOB ORDER CONTRACT MAINTENANCE AND CONSTRUCTION UR9902526	METRO, HOUSTON, TX MAINTENANCE AND CONSTRUCTION AT ALL HOUSTON METROPOLITAN TRANSIT FACILITIES; INCLUDES ALL DIVISIONS OF CONSTRUCTION	\$8,700,000
EG&G NASA MARSHALL SPACE FLIGHT CENTER BLDG 4249 HUNTSVILLE, AL 35812 WARREN POWELL TEL: (256) 544-5696	JOB ORDER CONTRACT MAINTENANCE AND CONSTRUCTION EG&G -8-97326-1	GEORGE C. MARSHALL SPACE FLIGHT CENTER HUNTSVILLE, AL MAINTENANCE AND CONSTRUCTION FOR THE ENTIRE NASA SITE; INCLUDES ALL DIVISIONS OF CONSTRUCTION	\$11,586,000
U.S. DEPT OF STATE A/FBO/AP/AD 1701 N. FT. MEYER DRIVE ARLINGTON, VA 22209 WILLIE RHODES, TECH REP. (703) 812-2329	IDIQ REPAIR, CONSTRUCTION AND MAINTENANCE SERVICES S-FBOAD-93-R-0125	U.S. EMBASSIES & CONSULATES WORLDWIDE WASHINGTON MAINTENANCE ASSISTANCE CONTRACT (WASHMAC) REPAIR, MAINTENANCE, AND CONSTRUCTION INVOLVING ALL U.S. FOREIGN SERVICE POSTS AND DEPARTMENT OF STATE JURISDICTIONS; ALL DIVISIONS OF CONSTRUCTION	\$66,000,000
US ARMY CORPS OF ENGINEERS BALTIMORE DISTRICT R.C. WINEMILLER, PROGRAM MANAGER (443) 479-5686	IDIQ DESIGN-BUILD CONTRACT DACA31-02-D-0011	SECURE COMMUNITY DESIGN AND CONSTRUCTION-BALTIMORE DISTRICT REPAIR, MAINTENANCE, AND CONSTRUCTION INVOLVING SECURE FACILITIES; DESIGN AND ALL DIVISIONS OF CONSTRUCTION	\$20,000,000 EST.
U.S. DEPT OF STATE\FBO P.O. BOX 12248 ROSSLYN STATION ARLINGTON, VA 22219 DAVID VIVIAN TEL: (703) 875-6991	IDIQ DESIGN-BUILD CONTRACT SALMEC-02-D0028	WORLD WIDE DESIGN BUILD DESIGN BUILD SERVICES AT US EMBASSIES AND CONSULATES THROUGHOUT THE WORLD. INCLUDES DESIGN AND ALL DIVISIONS OF CONSTRUCTION	\$20,000,000 PER YEAR
U.S. DEPT OF STATE\FBO P.O. BOX 12248 ROSSLYN STATION ARLINGTON, VA 22219 DAVID VIVIAN, CONTRACTING OFFICER TEL: (703) 875-6691	IDIQ DESIGN-BUILD CONTRACT SFBOAD-99-D-0024	WORLD WIDE DESIGN BUILD CONSTRUCTION SERVICES AT US EMBASSIES AND CONSULATES THROUGHOUT THE WORLD AS SUBCONTRACTOR. INCLUDES ALL DIVISIONS OF CONSTRUCTION	\$20,000,000 PER YEAR

Case Study – Goliad State Historical Park

Kellogg Brown and Root

The Texas Parks and Wildlife Department (TPWD) needed maintenance and improvements done on the chapel, granary, and workshop buildings in Goliad State Historical Park. Work consisted of removing and replacing the roofs on all three buildings, upgrading electrical panels and services, and installing new electrical circuits and ventilation equipment.

Kellogg Brown and Root’s proposal exceeded the TPWD budget for the project, so alternative roofing and electrical options were investigated. The following revisions reduced the price:

- Changed specifications for chapel roof
- Used surface mount conduit instead of installing conduit in walls
- Rerouted new underground feeder to avoid “archeological digging”

Given the revised scope of work, the proposed price still exceeded the available funds. Therefore, the next strategy was to prioritize the various aspects of the project, dividing the job into immediately needed and future phases. This approach resulted in a successful plan.

This project exemplifies one of the benefits of using Job Order Contracting. JOC is uniquely suited to dividing large projects up into smaller, less costly phases, allowing essential elements to be accomplished when needed. This is especially important for maintenance issues that, if deferred too long, can cause damage that results in higher costs in the future. By taking a team approach to problems, KBR and TPWD were able to work through the issues that arose and devise a solution that was satisfactory to all parties. Teamwork and flexible thinking are keys to using JOC successfully.



**CJE
Committees:**

- Membership and Member Benefits: David Carrithers
- Legislation: Mike Ladino
- Education: Bob Gair
- Practice and Selection: Gary Aller
- Performance-Based: Dean Kashiwagi

CJE Officers:

- Industry Chair: Charlie Bowers
- Past Industry Chair: Ken Jayne
- Industry Chair Elect: Clint Owings
- ASU Representative: Gary Aller
- Members at Large: Bob Gair, Rick Farrag, Bill Kolster
- Ex-Officio: Tom Peeler, Rich Barrick, Bill Sweetser, Mike Ladino, David Carrithers

CJE Membership – What are the benefits?

Bill Sweetser of Centennial Contractors sums it up very well.

“CJE provides us with the opportunity to interact with many owners who use JOC, helping us to better understand owner needs and expectations. CJE events keep us up to date on trends in the industry: legislation and regulations impacting JOC; ten year contract durations; bonding approaches; software developments and the like. CJE is the voice of the JOC industry. There is no other organization like it.”

Tom Peeler of Mohave Educational Services Cooperative adds:

“Job Order Contracting is a valuable alternative project delivery method for construction contracting. It provides an economical and efficient option for many projects. However, it is new to most public entities and there is a lot to learn. CJE is an excellent resource for anyone interested in establishing a successful Job Order Contracting program.”

Annual Membership Dues*

Individual	\$275
Facility Owners	\$575
Contractors, Subcontractors, Consultants and Vendors:	\$1750

*Dues includes membership in the Alliance for Construction Excellence as well as CJE

Current Members

3D International – Ward Simpson, Ron E-cker	Northside ISD - Joseph Martin
Applied Innovative Mgmt. - Ken Jayne	Pinnacle One - Dan McCausland
ACE – Gary Aller	RHJ-JOC, Inc. – Eva Jackson
Arizona State Univ. – Dean Kashiwagi	RS Means - Bob Gair
Basic Industries - Richard Barrick	SDB, Inc. – Marco Spagnuolo
Centennial Contractors Ent., Inc. -Bill Sweetser, Charlie Bowers & David Carrithers	Shaw Beneco, Inc. – Kathryn Waldron
City of Phoenix - Wylie Bearup	Shughart Thomson & Kilroy - Mike Ladino
CEFPI - Janell Weihs	Spokane Public Schools – Kathy Ely
DMJM Management – Aldon Jenkins	TCPN – Region IV Educ, Serv. Ctr. - Carol Greb
Estimating Systems, Inc. – Allan B. Cleveland	Texas State University – Allen Henderson
The Gordian Group, Inc. - Clint Owings, Robert Coffey	
Greenway Enterprises, Inc. – Gary Hoovestal	
Kellogg Brown & Root – Rick Farrag	
Linco Contractors, LTD – Gary Schilling	
Loudon County Public Schools - William Kolster	
Mohave Educational Services Coop - Tom Peeler	