## Proposed Trailer Bill Legislation

## Job Order Contracting – Caltrans

# FACT SHEET

#### SUMMARY:

This language would authorize the California Department of Transportation (Caltrans) to use the job order contracting method to complete routine transportation projects and maintenance work quickly and easily.

### BACKGROUND:

State law provides alternative contracting authority for public works projects to several state and local agencies including the job order contracting method to accelerate project delivery and reduce costs. Caltrans is currently using the method for Clean California and Middle-Mile Broadband Network projects.

### **NEED FOR LEGISLATION:**

State law generally requires state agencies to use a low-bid, design-bid-build procurement process for public works projects. This method can be overly costly and inefficient for small-scale projects and repetitive types of maintenance work. These types of projects can have much lower project costs than other projects and the cost of developing the bid package can represent a significant portion of the total project cost.

The design bid build method currently takes Caltrans approximately four months to seven months to develop and procure a contract for routine maintenance projects. This could instead take approximately two weeks to three weeks to process and task to a job order contractor.

Independent studies on other states using this method show 8- to 16-percent cost savings and time savings of around 9 months (80 percent).

## **PROPOSED LANGUAGE:**

This language would allow Caltrans to expand its use of the job order contracting procurement method to provide a more efficient and cost-effective procurement method for short duration and repetitive types of highway projects. This would include highway maintenance work, safety projects, facility repair, repair and replacement of active transportation and complete streets facilities, the installation of storm water pollution control devices, and similar work.

This method would allow Caltrans to design and process contract documents for a specific type of maintenance issue once rather than for each instance of that type of maintenance issue. Contractors would be on call to perform authorized work in certain areas of the state.