



US Army Mission and Installation Contracting Command

Industry Day – Multiple Award IDIQ Performance Based Acquisition

August 27, 2008

Richlin Ballroom, Edgewood, Maryland

Supporting Soldiers Through Contracting

MICCC



AGENDA

- Purpose and Goals
- Industry Day Disclaimer
- One-on-One Sessions
- Performance-Based Acquisition
- Acquisition Strategy Considerations
- Conceptual Requirement
- Anticipated Performance Work Statement Requirements
- Conceptual Evaluation Approach
- Other Award Considerations
- Conceptual Business Arrangements
- Basic Milestones
- What We Need From You
- Conclusion

PURPOSE



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Why is there an Industry Day; why are we all here?

The answer is twofold:

- To obtain market research in support of Acquisition Plan, Acquisition Strategy, and Performance Work Statement (PWS) development
- To provide industry a forum to give and receive information relative to the proposed contracting opportunity

INDUSTRY DAY GOALS



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- To dialogue with industry regarding the conceptual acquisition strategy and draft PWS for a new multiple award Indefinite Delivery, Indefinite Quantity (IDIQ) Performance Based Award (PBA) Contract supporting the US Army Environmental Command (USAEC)
- To gain industry's input/ideas regarding the Government's approach to the proposed acquisition
- To gain industry input/ideas for instructions to offerors and evaluation factors for the RFP
- To address questions from industry
- To encourage industry to be an active participant in the acquisition process from the beginning
- To allow industry to network and form teams

INDUSTRY DAY DISCLAIMER



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- The answers we provide today reflect things as we know them today
 - Things may change as we dialogue with industry and address issues with our chain of command
 - Regulatory and policy changes may revise planned path forward
 - Working toward a finalized RFP
- CALIBRE Systems, Inc supports USAEC in the area of PBA for the US Army Environmental Cleanup Program
 - CALIBRE employees have signed non-disclosure statements for all activities associated with their Government contract
 - CALIBRE will not be eligible for competition under this requirement
 - CALIBRE may be used to support and assist in various elements of the acquisition process

ONE-ON-ONE SESSIONS



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- Questions, comments, ideas regarding the conceptual acquisition strategy are encouraged
- If Sources Sought was submitted, no capabilities/marketing pitch necessary
- Contractor drives the session
- No prepared Government questions
- No topic is restricted and good ideas are welcome
- Answers provided at one-on-one sessions reflect things as we know them today and may not necessarily be true tomorrow



PERFORMANCE-BASED ACQUISITION

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- What is a Performance-Based Acquisition (PBA)?
Per FAR Part 2, PBA “means an acquisition structured around the results to be achieved as opposed to the manner by which the work is to be performed.”
- IAW FAR 37.601, PBA Contracts for services shall include –
 - 1) A performance work statement (PWS)
 - 2) Measureable performance standards (i.e., in terms of quality, timeliness, quantity, etc.) and the method of assessing contractor performance against performance standards; and
 - 3) Performance incentives where appropriate. When used, the performance incentives shall correspond to the performance standards set forth in the contract (see 16.402-2).

Describe the work in terms of the required results rather than either “how” the work is to be accomplished or the number of hours to be provided

ACQUISITION STRATEGY CONSIDERATIONS



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- Effort is fundamentally about finding qualified contractors to perform environmental remediation and munitions response services at multiple and diverse locations
- Support may be required at any CONUS Army installation/location (plus Alaska, Hawaii, and Puerto Rico)
- Multiple award IDIQ contracts have proven successful in lowering and controlling costs to the USAEC; especially with competition at the task order level
- Multiple award IDIQ contracts may be organized geographically, by specific task areas, by business size, by customer, or other combinations as driven by the nature of the requirement, the needs of the customer, and/or the nature of the contractor community
- Sources sought issued, in part, to determine what type of breakdown, if any, might be appropriate

ACQUISITION STRATEGY

CONSIDERATIONS con't



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- NAICS code 562910 defines small business as a business with less than 500 employees
- Ability of small business (SB) to prime for all aspects of requirement
- SB prime ability to comply with FAR Clause 52.219-14, Limitations on Subcontracting, (the 50% rule)
- Large business expertise may be required in certain task areas
- Number of awards required to support competition at task order level

CONCEPTUAL REQUIREMENT



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- Necessary to replace existing Assistant Chief of Staff for Installation Management (ACSIM) IDIQ contract nearing capacity
 - Establish sufficient capacity to support all environmental cleanup program areas
 - Increase flexibility to support programmatic goals (i.e., use of incentives)
 - Strengthen MMRP contract capabilities
- One Multiple Award IDIQ PBA contract with 2 portfolios; 1 small business, and 1 unrestricted
- Up to 10 contractors per portfolio
- Approximate \$900M contract ceiling; \$450M portfolio ceilings
- Contract ceiling represents total value of all task orders issued under the contract; portfolio ceiling represents total value of all task orders issued within a specific portfolio

CONCEPTUAL REQUIREMENT con't



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- Multiple Award IDIQ PBA Contract Award Clarification
 - Portfolio award does NOT equal a “monetary” award
 - Portfolio award DOES equal the opportunity to compete for requirements designated for competition within your portfolio
- Considering means to terminate or not exercise option of non-participatory contract holders under the multiple award IDIQ PBA contract
 - Based upon total numbers received or percentages of totals requested per portfolio for establishing minimum per year
 - Potentially cancel out any guaranteed minimum that may be established

CONCEPTUAL REQUIREMENT con't



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- Criteria considered when determining which portfolio will be used for a specific requirement's Task Order competition:
 - Procurement history at the installation/location
 - Risk, to include estimated price, schedule, and performance
 - Technical complexity
 - Workload timing; i.e., the number of concurrent actions on each portfolio and scheduled for the fiscal year
- Individual Task Order Competition Packages
 - Site Visit
 - PBA Performance Work Statement (PWS) or Statement of Objectives (SOO)
 - Instructions to Bidders
 - Reference Information
 - Proposed CLIN Structure
 - Technical Evaluation Criteria
 - CLIN Payment Milestone Guidance
- All offerors will be provided a fair opportunity to be considered for requirements placed under their respected portfolio

CONCEPTUAL REQUIREMENT con't



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- Types of Task Orders to be considered under the IDIQ PBA contract will include:
 - Fixed price w/ incentives & environmental insurance
 - Fixed price w/o incentives or environmental insurance
 - Fixed price w/ incentives & w/o environmental insurance
 - Fixed price w/o incentives & w/ environmental insurance
 - Cost-Reimbursable w/ or w/o incentives
- Majority anticipated to be Firm Fixed Price

CONCEPTUAL REQUIREMENT con't



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- Contractors will need to possess capabilities to:
 - Characterize or determine the nature/extent of potential environmental contamination
 - Develop feasible or proposed approaches to restoration of water and/or soils
 - Design, build, operate, and optimize environmental restoration or treatment systems
 - Conduct environmental sampling and analysis, and provide environmental monitoring and long-term management services with the end goal of site closeout
 - Author reports compliant with Federal (primarily Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and Resource Conservation and Recovery Act (RCRA)), state and local regulations
 - Successfully negotiate with and obtain approval from federal, state, and local regulatory agencies on all phases of the environmental remediation process
 - Obtain environmental insurance from an independent carrier to underwrite the cost of the environmental remediation effort

ANTICIPATED PERFORMANCE WORK STATEMENT REQUIREMENTS



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- Conduct cleanup activities at Army installations under the following:
 - Installation Restoration Program (IRP)
 - Compliance Related Cleanup Program (CC)
 - Military Munitions Response Program (MMRP)
 - Base Realignment and Closure Environmental Restoration Program (BRAC)
 - Operational Range Assessment Program (ORAP)

ANTICIPATED PERFORMANCE WORK STATEMENT REQUIREMENTS con't



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- Performance Objectives may include (but are not limited to) achievement of the following:
 - Approved Remedy in Place (RIP)
 - Approved Response Complete (RC)
 - Signed Decision Document (DD)
 - Approved/implemented exit/ramp down strategy
 - Approved long-term management (LTM) and/or remedial action operations (RA(O))
 - Approved Remedial Investigation (RI) and/or Feasibility Studies (FS)
 - Approved Munitions Response Site clearance or implementation of Land Use Controls

CONCEPTUAL EVALUATION APPROACH



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- Anticipating single step RFP process
- Factors to consider when awarding portfolio participants:
 - Management Approach
 - Past performance
 - Corporate experience
 - Key Personnel
 - Price
 - Realism
 - Reasonableness
 - Completeness
- RFP to include a sample task
- Evaluation based on Trade-off analysis between technical merit and proposed costs
- Dollar threshold dictates Department of Army approval
- Anticipate FY09 Award

SUCCESSFUL OFFERORS MAY OR MAY NOT BE LOWEST PRICE

CONCEPTUAL EVALUATION APPROACH con't



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- Trade-off analysis approach between contractor's technical merit and proposed prices for both the contract and the sample task
- Technical proposal will be evaluated as “highly qualified (HQ)” or “not highly qualified (NHQ)”
- The “HQ” approach establishes upfront the best value characteristics the Government desires in a successful offeror
- A “HQ” contractor must demonstrate a thorough understanding of the USAEC environmental remediation services requirements within the context of the technical requirements of the PBA PWS and the sample task

CONCEPTUAL EVALUATION

APPROACH con't



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- Evaluation of Price Proposals will only be performed on “HQ” offerors
- Best Value trade-off against price may occur only after the determination of “HQ” technical proposal
- A subcontracting evaluation criteria may be added to the unrestricted portfolio competition for SB/SDB, WO, HUBZone, and Service Disabled Veteran-Owned
 - Less important than technical evaluation rating
 - More important than price
- Price analysis will be performed on the price matrix and the sample task
- The Offeror’s price proposal must demonstrate the fair and reasonableness and price realism of their overall loaded labor rates and mark-up rate for both the price matrix and sample task

OTHER AWARD CONSIDERATIONS



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- Number of awards made in each portfolio will be driven by:
 - Quality and number of offers received
 - Capacity needs of the customer
 - Need to ensure healthy competition at the task order level
 - Program ceiling and the need to optimize the number of awards needed to meet the ceiling over the life of the contract
- Contemplate award without discussions
- Competitive range will be established if discussions are conducted

CONCEPTUAL BUSINESS ARRANGEMENTS



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- Multiple award IDIQ PBA contract established for 1 base year with 4 option years
- Total performance period for 10 years from effective date
- Covered services may exceed 1 year in length and/or cross fiscal yrs
- Task orders may include options
- MICC at APG-EA will compete/award/administer USAEC task orders
- COR appointed for USAEC
- MICC and COR Task Order oversight and payment:
 - Quality Assurance Surveillance Plan provides Govt with a systematic approach for evaluating contractor performance and accepting services
 - PWS identifies the Performance Objectives, performance standards, method of surveillance, and measurement method
 - Contractor's Quality Control Plan to be reviewed by Government
 - Project Management Plan and Payment Schedule developed with the Government
 - Wide Area WorkFlow (WAWF) used for invoice payment

CONCEPTUAL BUSINESS ARRANGEMENTS con't



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- Task Order Oversight and Payment
 - MICC and USAEC COR
 - Quality Assurance Surveillance Plan provides Govt with a systematic approach for evaluating contractor performance and accepting services
 - PWS identifies the Performance Objectives, performance standards, method of surveillance, and measurement method
 - Contractor's Quality Control Plan to be reviewed by Government
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BASIC MILESTONES



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- Finalize Acquisition Plan/Strategy
- Prepare the Draft Request for Proposal and provide to industry for comment
- Conduct Industry Conference to discuss Draft RFP and/or Potential Site Visit
- Issue Final RFP
- Receive and evaluate proposals
- Make Contract Awards
- Conduct debriefings

Note: Subject to change

WHAT WE NEED FROM YOU



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- Your continued support of the dialogue between Government and industry on this acquisition
- Your active participation in the development and review of documents
- Comments/questions on what you heard at this and future meetings/conferences
- Your response to future e-mails for clarifications as part of the sources sought process
- Your good ideas or suggestions on submission instructions, evaluation criteria, etc.

CONCLUSION



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THANK YOU!

We appreciate your time and interest in this acquisition

We look forward to your comments and suggestions as we move forward through the acquisition process