



**US Army Research, Development &
Engineering Command Contracting Center
Aberdeen Installation Contracting Division**

**SAME Conference
Multiple Award IDIQ Performance Based
Acquisition**

February 12, 2009

Boston, MA

- ***Ms. Kathryn Ortel-Thatcher, Contracting Officer***

Supporting Soldiers Through Contracting

AICD

AGENDA



Supporting Soldiers Through Contracting

- **INTRODUCTION**
- **NEW ACQUISITION – CONCEPTUAL REQUIREMENT**
- **NEW ACQUISITION – CONSIDERATIONS**
- **CAPABILITIES REQUIREMENTS**
- **CONCEPTUAL EVALUATION APPROACH**
- **NEW ACQUISITION – MECHANICS**
- **OBSERVATIONS AND RECOMMENDATIONS**
- **POINTS OF CONTACT**

INTRODUCTION



Supporting Soldiers Through Contracting

- **AICD-AEC Team**
 - Supports USAEC, APG-EA, MD
 - Transitioning to San Antonio, TX
- **New Acquisition**
 - Supports USAEC Cleanup Division
 - Perform Appropriate, Cost-Effective Cleanup
 - Property is Safe for Installation Use
 - Human Health and Environment is Protected
 - Includes Program Management at Active Army Sites
 - Installation Restoration Program (IRP)
 - Military Munitions Response Program (MMRP)
 - IMCOM Compliance Cleanup (CC) Program
 - Technical and Program Support to BRAC Cleanup

NEW ACQUISITION – CONCEPTUAL REQUIREMENT



Supporting Soldiers Through Contracting

- Multiple Award Indefinite Delivery/Indefinite Quantity (IDIQ) Contracts
 - Competitively established
 - 1 base year with 4 option year ordering period
 - Total performance period - 10 years from effective date
 - Task orders (TOs) placed against resulting contracts
 - TOs may include options
 - AICD – AEC Team will compete/award/administer USAEC TOs
- Performance Based Acquisition (PBA)
 - Majority TOs firm-fixed price; Some cost-plus
 - Benefits
 - Lowers risk of cost growth
 - Accelerates cleanup requirements and property reuse/transfer
 - Reduces contract reporting and oversight
 - Can be aligned to exit strategies/used to optimize systems
 - Lowers remediation costs
 - Encourages innovative approaches/application of commercial practices

NEW ACQUISITION – CONCEPTUAL REQUIREMENT



Supporting Soldiers Through Contracting

- Two Portfolios - Up to 7 Contractors/Contracts Each
 - Small business; approx \$490M portfolio ceiling
 - Unrestricted; approx \$490M portfolio ceiling
 - Portfolio ceiling - total value of all task orders issued within a specific portfolio
 - Total number of contractors per portfolio dependent on
 - Quality and number of offers received
 - Capacity needs of the customer
 - Need to ensure healthy competition at the TO level
 - Program ceiling and need to optimize number of awards to meet ceiling over life of the contract
 - Portfolio award does NOT equal a “monetary” award
 - Portfolio award DOES equal opportunity to compete for requirements designated for competition within that portfolio
- Perform Environmental Remediation and Munitions Response Services at Multiple and Diverse Locations
 - CONUS
 - Alaska, Hawaii, and Puerto Rico

NEW ACQUISITION – CONCEPTUAL REQUIREMENT



Supporting Soldiers Through Contracting

- Necessary to Replace Existing Assistant Chief of Staff for Installation Management (ACSIM) IDIQ Contract Nearing Capacity
 - Awarded December 2004
 - \$480M Contract Ceiling with 5-Year ordering period
 - Two portfolios
 - I - Small business; \$160M portfolio ceiling
 - II - Unrestricted; \$320M portfolio ceiling
 - Successful mechanism for obtaining environmental remediation services
 - Awarded 33 task orders through January 2009
 - Controlled cost growth; 0.1%
 - Schedule performance has improved
- 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

NEW ACQUISITION – CONSIDERATIONS



Supporting Soldiers Through Contracting

- NAICS Code 562910 Applicable to the New IDIQ Requirements
 - Defines small businesses as a business with less than 500 employees
 - SB prime must have ability to comply with FAR Clause 52.219-14, Limitations on Subcontracting, (the 50% rule)
 - Ability of small business to prime for all aspects of requirement
- Large Business Expertise May Be Required in Certain Task Areas

CAPABILITIES REQUIREMENTS



Supporting Soldiers Through Contracting

- Performance Work Statement (PWS) Requirements Will Include the Conduct of 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)
- Performance Objectives May Include (But Are Not Limited To) Achievement of the Following:
 - Approved Remedy in Place (RIP)
 - Approved Response Complete (RC)
 - Signed Record of Decision (ROD)/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, MEC Construction Support, or implementation of Land Use Controls

CAPABILITIES REQUIREMENTS



Supporting Soldiers Through Contracting

- 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

CONCEPTUAL EVALUATION APPROACH



Supporting Soldiers Through Contracting

- 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 True Sample Tasks; 1 for Each Portfolio
- Evaluation Based On Trade-Off Analysis Between Technical Merit and Proposed Costs
- Contemplate Award Without Discussions
- Competitive Range Will be Established if Discussions are Conducted
- Dollar Threshold Dictates Department of Army Approval

SUCCESSFUL OFFERORS MAY OR MAY NOT BE LOWEST PRICE

NEW ACQUISITION – MECHANICS



Supporting Soldiers Through Contracting

- Criteria Considered When Determining Which Portfolio Will Be Used for a Specific Requirement's TO 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
- All Offerors Will Be Provided a Fair Opportunity to be Considered for Requirements Placed Under Their Respected Portfolio

OBSERVATIONS AND RECOMMENDATIONS



Supporting Soldiers Through Contracting

- Stay Current On the Army Environmental Cleanup Program
- Contractors are Required to Adhere to Army Policy and Guidance, Even if Not Spelled Out in the Acquisition
- Read Each Document Carefully
 - This is a fluid process; we employ continuous improvement
 - Understanding of the total requirement is imperative
- Remember that all TOs are Performance Based
 - PBA means that you are responsible for meeting TO objectives; the Government is not responsible if you did not anticipate a condition or properly price your proposal
 - Change orders are few, far between, and require strong justifications

BASIC MILESTONES



Supporting Soldiers Through Contracting

- 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

***WORKING TOWARD EARLY FY10 AWARD**

*Subject to Change

POINTS OF CONTACT



Supporting Soldiers Through Contracting

- Kathryn Ortel-Thatcher
RDECOM CC – AICD – AEC TEAM
410-436-4130, fax 410-306-3937
kathryn.a.ortel@us.army.mil
- Alison Gannon
RDECOM CC – AICD – AEC TEAM
410-436-1661, fax 410-306-3845
alison.gannon@us.army.mil
- For More Info, Visit Our WEBSITE At: <http://aec.army.mil/usaec>
Select "Topics A to Z"
Then "Performance- Based Acquisitions"