

USACE ISRAEL INDUSTRY DAY NEW YORK CITY

CONTRACTING

06 November 2017

"The views, opinions and findings contained in this report are those of the authors(s) and should not be construed as an official Department of the Army position, policy or decision, unless so designated by other official documentation."



**US Army Corps
of Engineers.**



AGENDA

- Contracting Points of Contact
- Administrative Items
- Doing Business with USACE in Israel
 - ▶ US Procurement Laws / Regulations
 - ▶ Joint Venture / Prime Contractor Information & Requirements
 - ▶ FY 15 Design Build Construction MATOC
 - ▶ Best Value Procurements
 - ▶ Architect Engineering with USACE
 - ▶ Debriefing Information



DISCLAIMERS

Information Provided During Industry Day

Any remarks or explanations provided during this Industry Day are for general information and will not change the terms and conditions of any resultant solicitation.

Contracting Officer Authority

Only a warranted Contracting Officer (either a Procuring Contracting Officer (PCO), or an Administrative Contracting Officer (ACO)), acting within their delegated limits, has the authority to issue modifications or otherwise change the terms and conditions of a contract. If an individual other than the Contracting Officer attempts to make changes to the terms and conditions of a contract you shall not proceed with the change and shall immediately notify the Contracting Officer.



CONTRACTING POINTS OF CONTACT

Glenn Adams (Contracting Officer)

Telephone: +49 611 9744 2834

Glenn.Adams@usace.army.mil

Erica Taylor (Contracting Officer)

Telephone: +49 611 9744 2106

Erica.J.Taylor@usace.army.mil

Oksana Strekha(Contract Specialist)

Telephone: +49 611 9744 2626

Oksana.Strekha@usace.army.mil

Susan Dunnagan (Contract Specialist)

Telephone: +49 611 9744 2078

Susan.K.Dunnagan@usace.army.mil



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U.S. Procurement Laws and Regulations

Federal Acquisition Regulation (FAR)

<http://farsite.hill.af.mil/vffara.htm>

Defense FAR Supplement (DFARS)

<http://farsite.hill.af.mil/vfdfara.htm>

Army FAR Supplement (AFARS)

<http://farsite.hill.af.mil/vfafara.htm>

USACE Acquisition Instruction (UAI)

<http://www.usace.army.mil/BusinessWithUs/Contracting/Resources.aspx>

Engineering Pamphlet (EP) 715-1-7 Architect Engineer Contracting in USACE

<http://www.publications.usace.army.mil/Portals/76/Publications/EngineerPamphlets/EP715-1-7.pdf>



Doing Business with USACE in Israel – Foreign Military Sales (FMS) Program

FOREIGN MILITARY SALES PROGRAM REQUIRES THAT
THE PRIME OR JOINT VENTURE CONTRACTORS BE
UNITED STATES FIRMS.



U.S. JOINT VENTURES

- An Offeror that is part of a Joint Venture must submit a legally binding Joint Venture Agreement.
- The Government will not evaluate the capability of any Offerors that are not included in the Joint Venture agreement.
- Joint Ventures must include a copy of the legal joint venture agreement signed by an authorized officer from each of the firms comprising the Joint Venture with the chief executive of each entity identified.
- The Joint Venture Agreement must be complete and must be the only Joint Venture Agreement for the contract and for the work under the contract.
- The Joint Venture Agreement must specify that all Joint Venture members are jointly and severally liable for the performance of the contract.
- If one of the Joint Venture parties possesses relevant experience and/or past performance, the experience and/or past performance of that firm will be considered as the experience and/or past performance of the Joint Venture.



KEY PERSONNEL OF THE CONTRACT

- ▶ Project Manager
 - ▶ Site Superintendent/Foreman
 - ▶ Contractor Quality Control Systems (CQCS) Manager
 - ▶ Site Safety and Health Officer (SSHO)
-
- The contractor will provide key personnel on the project site that are: (1) employed by the U.S. prime contractor, (2) directly paid by the prime contractor, and (3) are completely independent of and free from conflicts of interest with subcontractors the prime intends to use on the project. Key personnel proposed by the prime contractor who have previously been employees of Non-US subsidiaries or related business units, or from firms to be employed as subcontractors on this project will not be considered to be sufficiently independent and will not be approved unless there has been a break of at least **12 months** between the employees employment with these firms and this project.



U.S. PRIME / JOINT VENTURE CONTRACTOR PERFORMANCE

- FAR REQUIREMENT

- ▶ The requirements of Federal Acquisition Regulation (FAR) Clause 52.236-1 “Performance of Work by Contractor” states: “The Contractor shall perform on the site, and with its own organization, work equivalent to at least **twenty-five (25) percent** of the total amount of work to be performed under the contract”.

- Off-Shore Procurement

- US Flag Vessels & US Air Carriers



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MANDATORY REGISTRATION IN THE SYSTEM FOR AWARD MANAGEMENT (SAM)

The Federal Government mandates that a contractor be registered in the System for Award Management (SAM) prior to the award of a Federal contract. Federal Acquisition Regulation (FAR) clause 52.204-7 states that in order to do business with the Government, the contractor must be registered in the SAM database. Firms interested in doing business with the Federal Government should now visit the “System for Award Management (SAM).”

<https://www.sam.gov/>

The website contains a video overview briefing and user guides for assistance.



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DUNS NUMBER

Obtain a Data Universal Numbering System (DUNS) Number:

If you do not have a DUNS number, contact Dunn and
Bradstreet to obtain one.

<http://www.dnb.com>



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CONTRACTOR AND GOVERNMENT ENTITY (CAGE) CODE

The CAGE code is a required piece of data for registering in the System for Award Management (SAM). If you are a vendor located in the United States and do not have a CAGE code, a CAGE code will be assigned to you when you register in the SAM database for the first time.

CAGE Websites

The CAGE welcome information page is at:

http://www.dlis.dla.mil/cage_welcome.asp



CONSTRUCTION QUALITY MANAGEMENT COURSE

USACE Districts conduct the Construction Quality Management (CQM) Course, which is required to be completed prior to receiving a construction contract award.

- Developed in partnership with *Associated Builders and Contractors (ABC)* and the *Associated General Contractors (AGC)*
- Instructs Contractor Superintendents, Quality Control (QC) Staff, and Foreman in construction quality control and how it relates to Owner quality assurance (QA)
- Describes the QC/QA system successfully used by USACE

Contact your closest USACE District office for information on course schedules

Next class in Wiesbaden – To Be Determined

Next class in Israel – To Be Determined



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SAFETY AND HEALTH IN USACE

Engineer Manual (EM) 385-1-1 USACE Safety & Health Requirements
Manual: <http://www.publications.usace.army.mil/USACE-Publications/Engineer-Manuals/>

USACE Specifications:

01 35 26 Safety and Health Occupational Requirements

01 45 01 USACE Quality Control

01 45 01.01 Additional Quality Control Personnel



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MAGNITUDE OF CONSTRUCTION

The magnitudes are provided in FAR 36.204 and DFARS 236.204

\$500,000 and \$1,000,000	\$1,000,000 and \$5,000,000.
\$5,000,000 and \$10,000,000	\$10,000,000 and \$25,000,000
\$25,000,000 and \$100,000,000	\$100,000,000 and \$250,000,000

Typical Language in the Solicitations

- Per FAR 36.204, the estimated price range of this task order (base and all options) is between \$1,000,000 and \$5,000,000. The use of this range does not mean that the government has estimates ranging from \$1,000,000 to \$5,000,000, or that the cost falls near the middle of the range, but only that the government believes the price to fall at a specific point which is within this range of values specified in the FAR. A project estimated at \$1,000,001 or one estimated at \$4,999,999 would fall within the range. No inference should be drawn as to where this project is believed to fall within the range.



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PROCUREMENT METHODS

- **Multiple Award Task Order Contract (MATOC)**
- **Best Value (C-Contract)**
- **Single Award Task Order Contract (SATOC) – A-E Contracts**



FY 15 ISRAEL MATOC INFORMATION

- A \$249.5M Design Build Construction IDIQ
- Six (6) Contracts awarded 18 Jun 2015
- Base Year (\$49.5M)
- Four (4) Option Years (\$49.5M each)
- Currently in Option Year 2
- Option Year 3 to be exercised June 2018
- Three (3) Firms currently on Contract



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FY 15 ISRAEL MATOC ORDERING LIMITATIONS

- Ordering Limitations
 - ▶ Minimum - \$50,000
 - ▶ Maximum - \$15,000,000
- Current Total Awarded with Modifications - \$110.6M
- Estimated Remaining Balance - \$138.9M



FY15 ISRAEL MATOC – ON RAMP

- The solicitation and contract established procedures to re-open competition at any time during the term of the contract.
- KO periodically reviews the need for additional Contractors during the ordering period and whether it is in best interest of the Government to add Contractors (On-Ramp)
- When On-Ramp is used the Government will advertise the reopening of the competition on Federal Business Opportunities (FedBizOpps)
- All new awardees shall meet the criteria established in the initial solicitation .
- The evaluation and selection of awardees for any On-Ramp will be the same as the evaluation and award criteria used in the initial basic contract awards.
- Anticipated number of awards will announced in the FedBizOpps reopening announcement.
- The KO has discretion to award to more or fewer...depending upon the quality of offers received.



FY15 ISRAEL MATOC ON RAMP (CONTINUED)

- Any Contractor that received a basic contract award shall not recompet.
- New awardee(s) will compete with any existing or remaining Contractors for all task orders.
- Any additions due to the On-Ramp will not impact the contract ceiling.
- The ordering period for new awardees will not extend the overall maximum term of the original contract, nor shall it reestablish the contract base period.
- The Government will not consider unsolicited requests for additional contractors

Evaluation of Offerors (Phase 1): On-going
Projected award period: 1st Quarter 2018



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FY15 ISRAEL MATOC OFF RAMP

- The Government reserves the right to utilize Off-Ramps when it is determined to be in the best interest of the Government.
- The Government may Off-Ramp a Contractor by:
 - (1) permitting a Contractor's contract to expire instead of exercising an option;
 - (2) implementing a termination for convenience;
 - (3) implementing a termination for default; or
 - (4) Taking any other action permitted by the contract terms and conditions.



PROCUREMENT METHOD – BEST VALUE

- Open competition to US Prime and US Joint Venture Construction Contractors.
- Notice on the Federal Business Opportunities (FedBizOpps) website
- Conducted in accordance with FAR Part 15 and FAR Part 36 requirements



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BEST VALUE PROCUREMENT: BASIS FOR AWARD EXAMPLE

- The Government will utilize the Best Value Tradeoff Process for Source Selection in accordance with FAR 15.101-1 to determine best value. This process permits tradeoffs between price and non-price factors.
- Award will be made to the Offerors proposing the best value to the Government based on an integrated assessment of the proposals received and evaluation factors.
- To receive consideration for award, a rating of no less than “Acceptable” must be achieved for all non-price factors.
- The Government considers it to be in its best interest to allow award to other than the lowest priced Offeror or other than the highest technically rated Offeror.
- The perceived benefits of the higher priced proposal shall merit the additional cost, and the rationale for tradeoffs must be documented in the file in accordance with FAR 15.406.



DESIGN BUILD BEST VALUE SOLICITATIONS

- DESIGN BUILD SOLICITATIONS ARE TWO PHASES
- **Phase I – Non-Price**
 - ▶ Experience (Technical)
 - ▶ Past Performance
 - ▶ Management Approach (Technical)
- **Phase II – Technical and Price**
 - ▶ Schedule (Technical)
 - ▶ Price (Firm Fixed)

To receive consideration for award, a rating of no less than “Acceptable” must be achieved for each of the technical factors.



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FACTOR 1: EXPERIENCE SUBMISSION REQUIREMENTS (EXAMPLE)

- **Seven (7) projects are to submitted and at least three (3) shall be performed by the Prime Contractor or Joint Venture Partners**
- Projects which involve new construction of base facilities.
- Projects which involve renovations of base facilities.
- Projects which involve airfield runway works (new/replacement paving)
- Projects built in an active environment and/or phased construction.
- Projects which are design-build.
- Projects with a cost between \$25,000.000 - \$100,000.000
- Projects that demonstrate experience working OCONUS with projects in Israel being more relevant.
- **Two (2) of the projects submitted are construction projects in the United States completed as the Prime Contractor or Joint Venture Partners**
- Projects that are completed (as opposed to in-progress or on-going) within the last six (6) years



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FACTOR 2: PAST PERFORMANCE SUBMISSION REQUIREMENTS (EXAMPLE)

If available, Offerors shall submit a final, completed record from the Contractor Performance Assessment Reporting System (CPARS). An interim CPARS record will be considered as long as the minimum requirements have been met regarding recency, substantial completion, and overall relevancy.

If no completed CPARS records exist, the Offeror shall complete and submit a Past Performance Questionnaire (PPQ).



FACTOR 3: MANAGEMENT APPROACH SUBMISSION REQUIREMENTS (EXAMPLE)

Narrative supporting how you plan to staff and execute the contract:

- ▶ US Prime or US Joint Venture organization
- ▶ Committed Sub Contractors
- ▶ Communications
- ▶ US Key Personnel Staffing (Experience, Education & Resumes)
- ▶ Contractor Quality Control Management (USACE Requirements)
- ▶ Base Security
- ▶ Resourcing of Materials – (e.g. Long Lead Items)
- ▶ Facility Clearance



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HOW TO GET TO PHASE TWO OF THE PROCUREMENT

After evaluation of the Phase One Proposals, a decision by the Contracting Officer or Source Selection Authority will determine those offerors determined to be the most highly qualified will be permitted to submit proposals for Phase Two.

Note: Discussions with Offerors in Phase One may be necessary which would provide the opportunity to correct proposals. In this event, another round of Phase One Proposals evaluations would be required.



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FACTOR 4: SCHEDULE (EXAMPLE)

- Offeror's schedule must specifically demonstrate the Offeror's ability to satisfy the milestones specified in the price schedule and specification sections.
- The length of the schedule must be equal to the contract duration.
- The Government will evaluate the schedule to assess conformance with the solicitation requirements, the strength of understanding of the project scope, and restrictions which must be considered in the schedule (e.g., long lead items, base access, manpower availability, critical milestones, logicalness of proposed phasing, etc.).
- The Government will evaluate the strength of understanding of events associated with the Offeror's capability to schedule the complete project within the proposed contract duration and the realism of the schedule.



FACTOR 5: PRICE SUBMISSION REQUIREMENTS (EXAMPLE)

- Offerors shall submit a completed Price Schedule
- The Offer (SF 1442) duly executed with an original signature by an official authorized to bind the company.
- Acknowledgement of all amendments to the solicitation in accordance with the instructions on the Standard Form 30 (amendment form).
- Representations and Certifications” fully completed.
- Security (e.g. Bid Guarantee or Letter of Assurance)
- The name, address, telephone and facsimile numbers, e-mail addresses of the Point(s) of Contact with the authority to legally bind the Contractor.
- Name, Address, DUNS, CAGE, and TAX Identification Number of the Contractor submitting the proposal.
- Price will be evaluated independently



PROPOSAL DELIVERY METHODS

- **Methods - By Mail, Courier, Email or In-Person**
- **Proposals cannot be FAXED.**



PROPOSAL SUBMISSION LOCATION

Address:

U.S. Army Corps of Engineers
Attn: Mr. Glenn Adams or Erica Taylor
Konrad-Adenauer- Ring 39
65187 Wiesbaden, Germany
+49(0)611 9744 2834 or 2106

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CONSIDERATIONS FOR PROPOSAL DELIVERY

- The location is guarded by security personnel.
- These people cannot accept proposals.
- There may be delays due to security procedures.
- Please account for these situations



ARCHITECT – ENGINEERING (A-E) SERVICES

- USACE currently has an A-E Indefinite Delivery Indefinite Quantity (IDIQ) contract with US firm HDR Architecture, Inc.
- Base and 4 Option Years through 11 March 2019
- Currently in Option Year 3 through 11 March 2018
- Not to exceed \$4,900,000 (Max Task Order NTE \$2,500,000)
- Current capacity remaining is \$1,692,000

- USACE is currently completing evaluations of proposals received for a 2nd A-E IDIQ, which will be awarded to one US A-E firm with the potential to add a second firm within one year of the 2nd contract's award date.
- One (1) three-year base period, plus two (2) one-year option periods
- Not to exceed \$9,500,000 (Max Task Order NTE \$3,500,000)
- Award is projected in 1st Quarter of 2018.



PROPOSAL QUALITY

**Offerors are advised to
provide their
BEST PROPOSAL
in the first submission**



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DEBRIEFINGS

DEBRIEFINGS ARE CONDUCTED IN ACCORDANCE WITH:

Pre-Award – FAR 15.505

Post-Award – FAR 15.506

Debriefings shall not include point-by-point comparisons of the debriefed offeror's proposal with those of other offerors. Moreover, the debriefing shall not reveal any information prohibited from disclosure by FAR 24.202 or exempt from release under the Freedom of Information Act (5 U.S.C. 552) including --

- (1) Trade secrets;
- (2) Privileged or confidential manufacturing processes and techniques;
- (3) Commercial and financial information that is privileged or confidential, including cost breakdowns, profit, indirect cost rates, and similar information; and
- (4) The names of individuals providing reference information about an offeror's past performance.



Doing Business with USACE in Israel – Foreign Military Sales (FMS) Program

Questions



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