



Naval Facilities Engineering Command Southwest

INDUSTRY FORUM

Multiple Award Remediation Action Contract (MARAC)

August 30, 2017

Introductions



NAVFAC Southwest

- **Jennifer DeVera, Contract Specialist**
- **Claudia Ramirez, Contracting Officer**
- **Ed Chevalier, Director Environmental ACQ**
- **Melanie Kito, Remedial Technical Manager**
- **Lora Morrow, Small Business Deputy**

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Purpose of Industry Day Forum



- **Opportunity to have an open dialog with the industry experts**
- **Opportunity for Government to receive industry input concerning the project**
- **Discuss challenges “before-the-fact” by gathering and discussing real world experiences and success stories**
- **Pens and notecards are available in the back of the room for those who want to write down their questions that will be read to the group.**

Agenda



- **NAVFAC Overview**
- **Procurement Description**
 - Objective
 - Area of Responsibility (Contract Coverage)
 - Technical Requirements (Performance Work Statement)
 - Navy Needs
 - Market Research Results
 - Challenges
 - Acquisition Strategy
 - Acquisition Evaluation Factors
 - Proposal Preparation Tips
 - Tentative Acquisition Schedule
- **Open Forum**
 - Questions & Answers

NAVFAC's Mission



NAVFAC is the Systems Command that builds and maintains sustainable facilities, delivers utilities and services, and provide Navy expeditionary combat force capabilities.

Operating Philosophy:

Culture of safety

Make every dollar count

Healthy communication / transparency

Use best practices / techniques

Environmental Stewardship

NAVFAC serves:

The Navy/Marine Corps

Unified Commanders

Department of Defense agencies

NAVFAC delivers:

Best-value Facilities Engineering and

Acquisition through:

Capital Improvements

Public Works

Environmental

Base Development

Real Estate

Contingency Engineering

NAVFAC SW Area of Responsibility

- NOSC Sacramento
- NOSC Alameda
- NOSC San Jose
- NOSC Lemoore
- NOSC Ventura County
- NOSC Los Angeles
- NOSC Moreno Valley
- NOSC San Diego
- NOSC North Island

ROICC Bridgeport

ROICC Travis

PWD Monterey

ROICC San Fran

PWD Lemoore

PWD China Lake

PWD Ventura County

PWD Seal Beach

ROICC 29 Palms

ROICC Barstow

ROICC Camp Pendleton

MCAS Camp Pendleton

MCRD

ROICC Miramar

PWD Coronado

PWD San Diego

PWD Point Loma

PWD El Centro

ROICC Yuma

PWD Fallon

NOSC Reno

NOSC Las Vegas

NOSC Salt Lake

NOSC Denver

NOSC Fort Carson

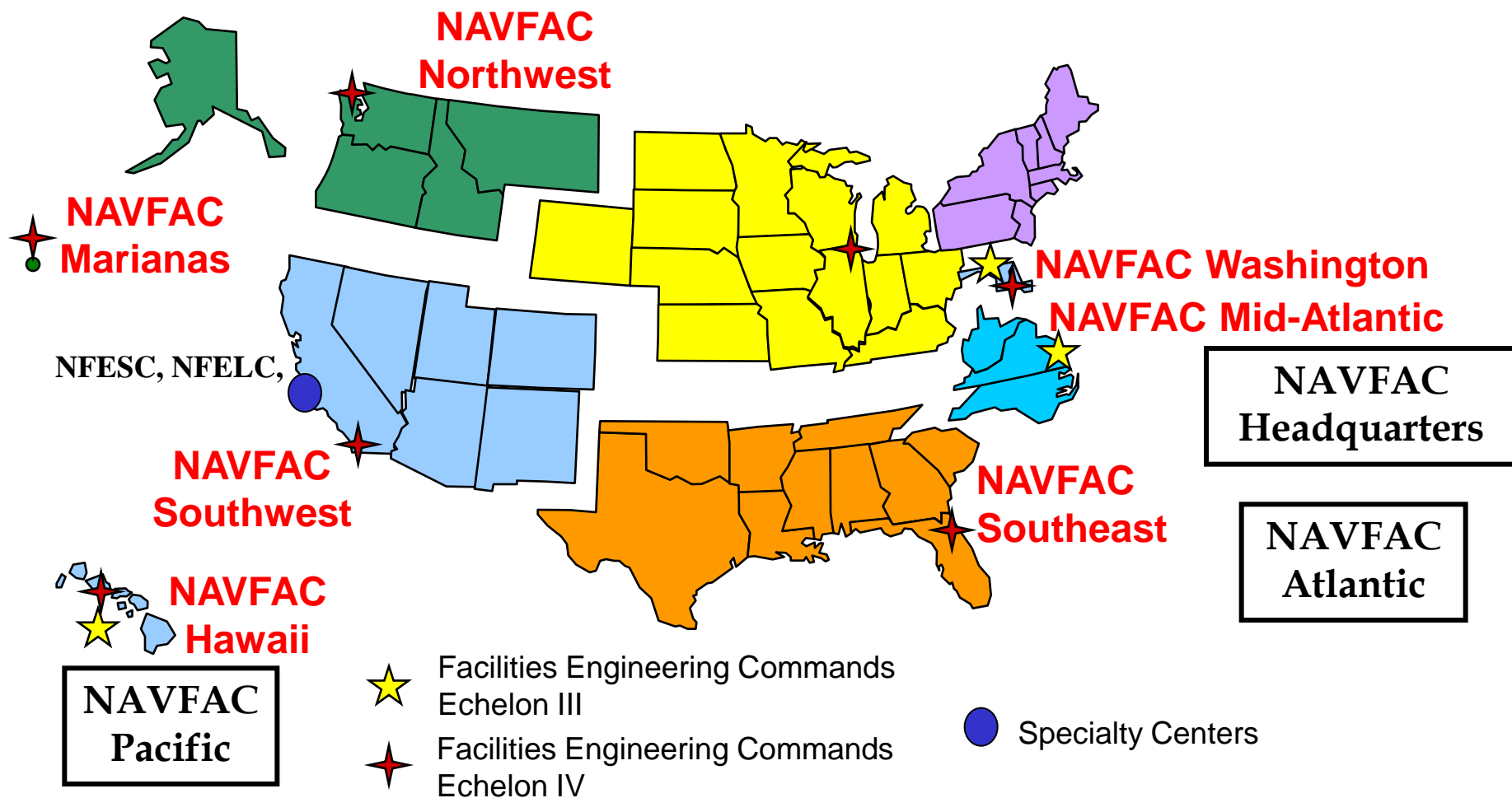
NOSC Phoenix

NOSC Tucson

NOSC Albuquerque

-  **Navy Installation - 10**
-  **Marine Corps - 8**
-  **Air Force Base - 1**
-  **Reserve Centers - 18 Across 6 States**

NAVFAC - A Global Team!



Objective of Procurement

- **The outcomes to be achieved under the Multiple Award Remedial Action Contract (MARAC) are to perform remediation of contaminated sites.**
 - **Focus is on restoration projects**
 - **Could include compliance**
 - **Can consist of remedial actions and removal actions**
 - **Can include sites with munitions and radiological contamination**

What is a RAC?

- Remedial Action Contract.
- Cost Plus Contract, NOT Firm Fixed Price
- Invoices are based on allowable costs with detailed backup and monthly progress reports
- DCMA/DCAA approval is not mandatory for proposal, but WILL be MANDATORY for award
- Must have an ~~approved~~ **acceptable** accounting system
- More admin burden but it has more flexibility
- Award Fees replace profit category. Award fees are dependent on KTR performance

Primary Project Locations



- **RAC VII services will be performed primarily at:**
 - Navy Installations including BRAC
 - Marine Corps Installations
- **Naval Facilities Engineering Command (NAVFAC) Southwest, NW and PAC:**
 - Alaska
 - Arizona
 - California
 - Colorado
 - Guam
 - Hawaii
 - Idaho
 - Marianas
 - Montana
 - Nevada
 - New Mexico
 - Oregon
 - Utah
 - Washington

Why a RAC?

- **Some RAs have proven to be more economical to the government under CP vs FP with several Modifications**
- **RACs are for projects that are not well defined and has more unknowns**
- **Scopes may not be written with defined technical details but instead with deliverables and milestones**
- **Some projects can show a lower cost since the risk is shifting from the KTR to the Govt.**

Technical Requirements



- To obtain remedial services for performing remediation for most post-ROD sites at environmentally contaminated sites
- NOT intended for Pre-ROD investigations
- Sites will consist of Superfund National Priority List (NPL) as well as non-NPL sites managed under CERCLA, RCRA, UST programs

Technical Requirements



Services could include but not limited to:

- **Performing remedial actions**
- **Performing removal actions**
- **Performing pilot and treatability studies**
- **Providing facility operation, maintenance, and instruction**
- **Performing other related activities associated with returning sites to safe and acceptable levels**
- **Developing work plans and other planning documents**
- **Range Clean Up and Closure; including Range Sustainability**
- **Performing Site Characterizations**
- **Performing Groundwater Characterization Studies**
- **Performing Remediation on Sediment Sites**

Navy Needs



- **In the next 5 years, the Navy has numerous bases/sites that require remediation.**
- **The overall cost of remediation is projected to exceed \$240M.**
- **The Navy needs to have a RAC in place to remediate numerous sites simultaneously for TO's that range between \$150K to \$10M**
- **Would like to execute one RAC to accommodate our needs under NAICS 562910 – Remediation Services**

Does Size Matter?



Market Research



After reviewing the proposals from the Sources Sought, it has been determined that the MARAC will consist of:

~~TWO Small
Businesses
And ONE Large
Business~~
**TOTAL SMALL
BUSINESS SET ASIDE**



Market Research Results

- It was determined that the qualified SBs had experience with projects that were limited to ~~\$3~~ **10M** and under. **Note the 3M threshold was inadvertently and incorrectly used during Industry Day. Correct threshold would have been 10M.**
- ~~All projects from \$0 - \$3~~ **10M** will be reserved for the two SB's, TO's above ~~\$3M~~ will be open to all three offerors.
- ~~If either of the 2 SBs decline to propose on any TO's under \$3M, then the RFP will be open to all three.~~
- Offerors can propose as SB, ~~LB~~ or JV.
- **After receiving SBA concurrence on the hybrid approach (2 SB, 1 LB) in March 2017, a recent SBA inquiry and updated decision in September 2017 has required NAVFAC SW to amend the approach for this procurement. NAVFAC SW has determined the most suitable course of action was to change to total SB set aside.**

MARAC Procurement

- **Contract Type:**
 - ~~Unrestricted with SB Reserves~~ **Total SB Set Aside**
 - Multiple Award Contract
- **Period of Performance**
 - Modified: 24-mos base period and 36-mos Option Period
- **Contract Capacity: NTE \$240 Million**
- **Trade Off**
- **Cost Modeling**

Challenges



- Evaluate PMO alternatives
- Trade Off
- Cost Modeling
- ~~Evaluation of similar requirements for both LB and SB~~
- Long lead times for audits (DCAA and DCMA)
- ~~Awarding TOs that have a government estimate that range from \$2.5M - \$3.5M~~
- ~~Proposal submission: Offerors will have to consider which category (LB, SB, or JV) and choose one category to submit proposal under~~

Cost Modeling



- Is a method to speed up the procurement process by eliminating the seed project
- Based on labor categories, base hourly rates, ceiling rates, non-labor rates
- ~~LB: Contractor is to provide rates based on historical audited DCAA rates prior to award~~
- SB: Contractors required to provide base and pool information
- Navy to provide hours of labor categories for a project
- Rates provided will be used for entire RAC (1st base period and 1 option period, total of 5 years)

Acquisition Evaluation Factors



EVALUATION FACTORS

- **Factor 1: Corporate Experience**
- **Factor 2: Past Performance**
- **Factor 3: Safety**
- **Factor 4: Financial & Management Systems**
- **Factor 5: Commitment to Socioeconomic Programs**

- **Factor 6 – Cost Model**

Acquisition Evaluation Factors

FACTOR 1 – CORP EXPERIENCE

- **5 Submissions**
 - 4 “projects”
 - 1 IDIQ

- **Submissions Shall Include**
 - All “projects” valued at \$3M or greater
 - At least 1 “project” valued at \$10M
 - At least 2 submissions must be Cost Reimbursement

- **If offeror is a JV**
 - At least one “submission” (project or IDIQ) must be submitted from the JV entity
 - If no JV shared experience, then at least one “submission” (project or IDIQ) shall be submitted for each JV partner

Acquisition Evaluation Factors

FACTOR 2 – PAST PERFORMANCE

- **CPARS or PPQ on 5 Submissions from Factor 1, Corp Experience**
- **Recency / Relevancy**
- **Will look for general trends in contractors performance**
- **May consider past performance data from other sources, like PPIRS**

Acquisition Evaluation Factors

FACTOR 3 – SAFETY

- EMR
- OSHA
- DART
- Technical Narrative

Acquisition Evaluation Factors

FACTOR 4 – FINANCIAL MANAGEMENT SYSTEMS

- ~~LB: Cost Accounting Standard (CAS)- approved Accounting System is required.~~
- **SB: Acceptable Accounting System**
 - Preaward Survey, SF 1408
 - DCAA Audit required
 - If JV, audit accounting system of the JV (as a whole) OR audit accounting systems of both JV partners.

Acquisition Evaluation Factors

FACTOR 5 – COMMITMENT TO SOCIOECONOMIC PROGRAMS (Small Business Factor)

- **2 Elements:**
 - **SB Achievements**
 - **SB Participation and Commitment**

- **Submission Requirements:**
 - ~~LB: Subcontracting Reports~~
 - **SB: Forms will be provided**

Acquisition Evaluation Factors



FACTOR 6 (NON-TECHNICAL) - COST MODELING

- **Direct Labor Bid and Billing Rate Submission**
- **Direct Labor Rate Escalation Submission**
- **Identification of Uncompensated Overtime Ratios**
- **Indirect Ceiling Rates Build-Up, Award Fee Application and Distribution of Cost-Reimbursable Work**
- **Indirect Ceiling Rate Form, Award Fee Application and Distribution of Cost-Reimbursable Work**

Acquisition Evaluation Factors

- **Service Contract Labor Standards (SCA) and Wage Rate Requirements (Construction) (DBA) Ceiling Labor Rate Form**
- **Proposed, Historical and Year to Date Indirect Rates**
- **Cost Model Worksheet**
- **Cost Model Summary Sheet**
- **Program Management Office (PMO) Rate Form**

Proposal Preparation Tips



- **Section L - Submittal Requirements**
- **Section M - Evaluation Factors**
- **Use the MANDATORY forms**
Don't get creative with the forms

Proposal Preparation Tips



- **DO an independent QC of your proposal against the requirements of the RFP**
- **DON'T be vague or re-state the RFP, especially in experience. If you don't prove it, it won't count.**
- **DO submit RFI's well in advance, to receive timely answers/responses.**
- **DO ensure that your proposal is the best and doesn't contain errors. There are no guarantees that discussions will be conducted.**
- **DO respond to DCAA, otherwise your proposal may not be eligible.**

Tentative Acquisition Schedule



- **Solicitation posted: Early 2018**
- **Proposal due: 30 days after Solicitation issuance**
- **Award by: Early 2019 (FY19/Q2)**

Open Discussions



QUESTIONS & ANSWERS

We will be accepting questions until the end of week

Thank you for your attendance

