

## COMMENTS/QUESTIONS TO SOLICITATION

17 August 2005

RFP 2005:Jul:7:18:51:07	Page 15, Contract Security Class Spec (DD254)	The RFP states that the highest security level required by SP employees is Top Secret. None of the data that appears in the TE volumes or the PWS appear to provide data that the SP can use to derive an adequate staffing plan for this. The SP can make assumptions about the IT-I, II, III categories based on AR25-2 but it does not relate to work load or requirements for Secret or Top Secret. Clearly identify Top Secret and Secret staffing requirements or clarify where the SP may find this data in the information provided.	TE-30 document, SIPRNET-ATO.PDF has been updated to show title headings (SIPRNET, CIRCUIT, LOCATIONS). Additionally, a new document has been created and added to the TE reflecting TS and above requirements.
RFP 2005:Jul:14:15:07:40	RFP	52.222.42 Rates do not accurately reflect individual labor rates for the many wage areas throughout the areas of competition.	A list of Equivalent Hires which covers all of the affected areas will be posted in an upcoming amendment.
RFP 2005:Jul:14:15:14:27	L.7, Tab C, QC Plan	Need to have Award Fee Evaluation Plan to assist in building (Section J: "to be added by Amendment")	Please refer to Amendment 0002, dated 19 July 2005, which included the Award Fee Plan.
RFP 2005:Jul:14:17:35:54	CLIN 0004	How do you distinguish copier paper from paper used for laser printers?	Please refer to Amendment 0005, dated 03 August 2005, which included a corrected/revise bid schedule.
RFP 2005:Jul:15:13:39:11	Sec B. Clin 3 f)	reference to non-existent paragraph in PWS (C.5.3.2.4.8)	Please refer to Amendment 0005, dated 03 August 2005, which included a corrected/revise bid schedule.
RFP 2005:Jul:15:13:42:05	Sec B. Clin 3 h)	Reference to non-existent paragraph in the PWS C.5.3.4.2.8. Probably should be C.5.3.5.2.1	Please refer to Amendment 0005, dated 03 August 2005, which included a corrected/revise bid schedule.
RFP 2005:Jul:15:13:44:28	Sec B. Clin 3 m)	Says "Graphic Displays. Only the work associated with 'high level exhibits.'" reference paragraph does not contain "high level exhibits"	The bid schedule will be updated to reflect this correction.
RFP 2005:Jul:15:13:47:21	Sec B. Clin 4 d.	It is clearly stated that the SP is not to provide "copier" paper, but what about printer paper? Nearly all high volume copiers are printers as well.	Please refer to Amendment 0005, dated 03 August 2005, which included a corrected/revise bid schedule.

RFP 2005:Jul:15:14:00:50	"Required Insurance"	Insurance limits seem far too low. Especially \$20,000 for property damage. In a two car wreck you could easily top \$60,000.	Clause will be revised in next amendment to indicate, "...and \$100,000 per occurrence for property damage shall be required".
C.2 2005:Jul:18:16:02:08	C.2	The acronym SPS is defined as Standard Procurement System. PD2 is defined as Procurement Desktop.  Is the SP required to use this system for acquisition actions directed by the Government?  Will acquisition actions performed by the SP as directed by the Government be held to any acquisition laws, regulations, etc.? Could find no mention of how the SP is to conduct acquisitions under the resulting contract.	"If the SP is the MEO, they will be required to utilize SPS, if the SP is Private Industry, they will not be required to use SPS."
C.5.3 2005:Jul:20:14:42:26	C.5.3.4.4.5	Is cable installation subject to the Davis Bacon Act?	It would depend on the type of cable installation. If the Service Provider will be replacing communication cable lines without adding any extension (i.e., cable lines that already exist), then the Service Contract Act wage rates would apply. If no cable lines exist and the Service Provider will be installing new lines or adding to existing lines then it is construction and Davis-Bacon wage rates apply. If this should occur, then Davis-Bacon wage rates will be negotiated with the modification to add this work.
Amendment 5 2005:Aug:11:03:57:38	p 8 of 10 0006 Award Fee	The solicitation directs service providers to address an award fee in our bid schedule. The OMB Circular A-76, in Attachment C on pricing, under "Other Cost" addresses the award fee. It says that an award fee can be included if the CSO determines that the MEO can participate. The latest amendment excludes the MEO from submitting an award fee proposal. If the MEO does not have to address an award fee then will ours be omitted from the COMPARE price comparison? It puts service providers at a severe unfair disadvantage if it is included in the bid price. Also, why is it included if the MEO is exempted?	Since the CSO has not approved the Agency Tender for proposing an award fee, the ATO is precluded from this submission. This approach taken by the USACE is compliant with the Circular guidance. Offerors who believe they are treated unfairly have avenues within the FAR and Circular guidance to raise these issues. Further, COMPARE Advisory, 002-04, Firm Fixed Price Award Fee Contract, clarified that 100% of the award fee is included in the Line 7 contract FFP price entry. The advisory can be found at <a href="http://www.comparea76.com">http://www.comparea76.com</a> . The Circular only instructs to include the award fee on Line 7. Any exception to these instructions would need to come through OMB via the DoD CSO.
Other 2005:Aug:11:04:02:28	OMB Circular Attachment C	Page C-24. Paragraph 6-Federal Income Tax Adjustment (SCF/SLCF Line 12) The service provider must be categorized as a business in the COMPARE program to determine the rate for tax credit to be entered on line 12. What will be the tax rate applied to our bid? The OMB site has not addressed any changes to the tax rates and the recent Federal Register that was supposed to address them does not. Please clarify what rate you will apply?	According to the COMPARE Version 2.1 Change Summary posted on <a href="http://www.comparea76.com">www.comparea76.com</a> , Table 12 was updated with current tax rate information. This table is using the NAICS system. At the time of the performance decision, the appropriate NAICS code will be determined and included in the SCF Line 7.

<p>RFP 2005:Aug:13:18:05:56</p>	<p>Page 4, Clin 6, award fee</p>	<p>If the MEO is exempted from providing award fee price in clin 6, will the price the SP puts in also be excluded from the SP total price so that a fair apples to apples comparison can be made between the price submitted by the SP and the MEO. Otherwise, you are asking the SP to increase his price to accommodate award fee while not asking the MEO to provide a price for award fee.</p>	<p>The USACE approach to award fee is consistent with the OMB Circular guidance and DoD policy. The Circular states regarding the Agency Tender including fee, Attachment B, Paragraph D.3.a.(3)(12), that the CSO shall determine if procedures are in place permitting an Agency Tender to receive such an award fee. The DoD CSO has not determined there are procedures in place permitting the Agency Tender to include award fee. Therefore the approach taken by the USACE is correct. Further, COMPARE Advisory, 002-04, Firm Fixed Price Award Fee Contract, clarified that 100% of the award fee is included in the Line 7 contract FFP price entry. The advisory can be found at <a href="http://www.compare76.com">http://www.compare76.com</a>. The Circular only instructs to include the award fee on Line 7. Any exception to these instructions would need to come through OMB via the DoD CSO.</p>
<p>RFP 2005:Aug:15:17:31:51</p>	<p>13 Of 94 of rfp EVMS</p>	<p>Northrop Grumman recommends that the requirement for EVMS as applied to the USACE A-76 be reconsidered since the majority of the work performed under this contract will be IT services versus development. We use EVMS on many of our large-scale development programs for the DOD. In that application, EVMS is an effective manage005, Paragraph 5 states the using EVM on FFP contracts is discouraged.</p> <p>Northrop Grumman recommends that this requirement be replaced with a requirement for performance management based on the attainment of service level agreements or specified performance metrics. We have applied this type of performance management to a number of our large services contracts to provide customers with detailed data on key aspects of program performance versus plans (performance metrics, service levels, and cost schedule performance). This approach is more conducive to service type contracts, is much more cost effective to implement and maintain, and provides customers with all required performance data.ment approach for assessing the cost of work perform versus costs expended. In the case of the USACE IT services contract most of the work will be performed on a level of effort basis with the focus on achieving specific service level agreements or performance metrics. EVMS is not well suited to tracking performance of this type since service levels are measured on a continual basis versus the</p>	<p>The USACE Chief Information Officer staff has contacted the DoD EVMS proponent and OMB on two separate occasions, to ensure correct interpretation of the DoD EVMS policy and OMB budget submission requirement at it relates to this specific contract. It is required for SP (MEO or contractor) to provide earned value data, as prescribed by DoD. Earned Value (EV) is required for all IT Investments and must be reported on each OMB 300 Business Case which is reviewed quarterly. Additionally the Federal Acquisition Regulation is being updated to reinforce the importance of adopting a standard Earned Value Management System (EVMS).</p>

		<p>achievement of development milestones normally associated with development programs.</p> <p>EVMS is discouraged for use on FFP contracts by DOD policy. In the DOD Revision to DoD Earned Value Management Policy, dated 7 March 2</p>	
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