

**USACE Baltimore District
Sources Sought: NGA New Campus East
Questions and Answers regarding the draft RFP
for Integrated Design Bid Build (IDBB)**

How are National Environmental Policy Act requirements being addressed for this project?

As required by the National Environmental Policy Act, the Army is preparing an Environmental Impact Statement (EIS) for the BRAC 2005 actions at Fort Belvoir, Virginia. It is currently anticipated that this process will culminate in a Record of Decision (ROD) in September 2007. This procurement is based on the Army's preferred site plan as identified by the Army on July 27, 2006, which located the NGA campus at Engineer Proving Ground. However, other alternatives are being evaluated in the EIS, and the siting for this project will not be final until the ROD is completed. Under this procurement, offerors will be asked to propose based on the project's preferred site as identified in the Request for Proposals, and proposals may be evaluated and a contract awarded on that basis. The contract may be awarded before the ROD is completed. However, the Government will not initiate any physical construction work until the ROD is finalized. If the site of the project identified in the ROD is different from that identified in this procurement, the Government will make the necessary modifications to the contract resulting from this procurement after contract award.

When do you anticipate issuing an RFP for this project, and when do you anticipate contract award?

The Government currently anticipates issuing an RFP in April 2007, with subsequent award estimated in August 2007.

Will there be additional opportunities for potential offerors to obtain information about this procurement prior to the issuance of the RFP?

The Government may schedule a pre-solicitation conference in early March 2007 at which the project designer will present a draft of the schematic design for the project. If this opportunity becomes available, it will be announced via the Federal Business Opportunities.

What will be the source selection process used for this procurement?

This procurement will follow the one-step best value trade-off process identified for negotiated procurements in FAR Part 15. Additional details on the evaluation will be provided in the RFP.

Will stipends be provided to offerors?

The Government does not anticipate providing stipends to offerors for this procurement.

What are the bonding requirements for this procurement?

As currently envisioned, offerors will be required to provide performance and payment bonds with the penal sum equal to 100% of the contract price. This is an area in which the Government is continuing to consult with industry to determine whether there are more easily achievable bonding requirements that would achieve the Government's objectives.

What type of contract will you be awarding as a result of this procurement?

This contract will be awarded as a Fixed Price Incentive (Successive Targets) contract (FAR 16.403-2).

The Base Bid will be Firm Fixed Price.

The optional construction portion of this contract will be administered according to FAR 16.403-2. See FAR 52.216-17 for detailed procedures and instructions related to cost and price administration for the Construction option. This clause requires the offeror to propose an Initial Target Price and a Ceiling Price (GMP) for the option. It is anticipated that after the production point (approximately 100% design), the Government and the Contractor will negotiate a firm fixed price for the entire contract.

What is the Initial Target Price?

The Initial Target Price is made up of two components, the Initial Target Cost and the Initial Target Profit. The Initial Target Price is the offeror's best estimate of the true cost of the work.

What is the Ceiling Price (GMP)?

The Ceiling Price (GMP) represents the Government's maximum liability for the scope of work identified in this procurement.

What documents will be provided as a basis for offerors to propose an Initial Target Price and a Ceiling Price (GMP)?

The RFP will contain a schematic design for the project. This will include typical plans, elevations, and narratives. It is anticipated that most of the major building systems will be described in sufficient detail to support an Initial Target Price and a Ceiling Price (GMP).

Why is the Government seeking to establish an Initial Target Price and a Ceiling Price (GMP) based on a schematic design?

The Government's goal is to contract with a constructor as early as possible, allowing the constructor to collaborate with the design team. In order to comply with Federal procurement laws, regulations, and principles, the selection of the successful offeror must include price considerations, and the price competition must be based on the entire project requirement, not just an early phase of the project.

Will price be an evaluation factor in determining the successful offeror?

Price will be an evaluation factor in determining the successful offeror for this procurement. Non-price factors (e.g., experience, qualifications, etc.), when combined, will be significantly more important than price in the evaluation.

The price evaluation will be based on the firm-fixed price base bid items and on the Ceiling Price (GMP) for the option. In addition, the Government will conduct a cost realism analysis on the offeror's Initial Target Cost and Initial Target Profit.

What is cost realism?

According to FAR 2.101, "Cost realism" means that the costs in an offeror's proposal (1) Are realistic for the work to be performed; (2) Reflect a clear understanding of the requirements; and (3) Are consistent with the various elements of the offeror's technical proposal.

The draft RFP issued in the Sources Sought indicated the offeror must maintain Cost Accounting Standards in accordance with the applicable Contract Clauses – what does this mean?

This provision of the selection criteria has been revised. The requirement is for the offeror to have an approved accounting system. The approval will be from DCAA, or other cognizant Federal agency. The process is similar to what occurs in a standard

Federal agency contract audit, where part of the review is to establish that the offeror has an adequate cost accounting system that allocates costs in a consistent manner meeting requirements of the Federal Acquisition Regulation (FAR) and good accounting practice.

Will this contract require use of an Earned Value Management System?

Yes, because this is an incentive contract over \$50 M, DOD policy requires the the contract include requirements for the contractor to use a validated Earned Value Management System (EVMS) in accordance with DFARS 252.242-7001, DFARS 252.242-7002, and the Guidelines for an EVMS contained in ANSI/EIA-748.

Will you include an economic price adjustment clause in the proposed procurement?

Given the flexible nature of the IDBB contract vehicle, the Government does not currently plan to use an economic price adjustment clause in this procurement.

The draft RFP indicated that the IDBB contractor would be responsible for the cost impact of all Designer of Record errors and omissions. Please clarify what responsibility the IDBB contractor has with respect to errors and omissions?

The language on this issue in the RFP has been removed. The Designer of Record retains responsibility for errors and omissions.

However, as part of the Construction Integration Phase services, the IDBB contractor will be expected to review and evaluate the design documents to help the project team identify and resolve errors.

How will the Government ensure that all team members (i.e., both designer and constructor) work toward the same goals?

After award of the IDBB contract, the Government intends to modify the designer's contract to align the design budget with the Initial Target Price established by the successful offeror for the IDBB contract. The Designer's contract will include a contractual obligation to design a project within this funding limitation.

In evaluating past performance, what criteria will the Government establish?

The Government is revising its evaluation criteria for this procurement based on industry feedback. Experience will be evaluated in the following categories: (1) comparable size

(in square feet); (2) comparable complexity; (3) local experience; (4) experience in a CM/GMP environment; (5) experience with fast-track construction.

Will the Government consider lowering the \$500 million threshold for past performance?

This dollar limitation has been removed from the RFP.

Will USACE develop a master site logistics plan and strategy for the EPG construction site?

Yes, this will be addressed in the RFP.

How will Small Business Utilization be evaluated?

The evaluation will be two-fold: past performance, and the proposed subcontracting plan for this project. The Proposal Submission Instructions will identify the small business goals.

How will fast-track construction be accommodated?

The Government anticipates fast-tracking the construction for this project. It is anticipated that discrete 100% design packages representing a portion of the overall project will be issued to the contractor. Within 45 days after receipt of each final construction package the contractor shall submit an estimated cost for that work and an estimated cost to complete the project. The purpose of this is to assure the Government that the project is on budget. Once this requirement is completed to the satisfaction of the Contracting Officer, a notice to proceed for that package will be issued.

The contract will be administered according to FAR 16.403-2. See FAR 52.216-17 for detailed procedures and instructions related to cost and price administration for each of the fast-track construction packages up until the time that the contractor and the Government negotiate a Firm Fixed Price for the entire contract (after the “production point” or 100% design completion). However, the Government’s maximum obligation under the contract shall not exceed the offeror’s Ceiling Price.