

DEPARTMENT OF THE ARMY
Corps of Engineers, Omaha District
215 North 17th Street
Omaha, Nebraska 68102

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CENWO-CD-C

Memorandum
No. 415-1-9

1 December 2000

Construction
CONTRACT MANAGEMENT – INDEFINITE DELIVERY TYPE

History. This establishes a new Omaha District manual to supplement other related district operating manuals for contract management and contract administration. With the increasing use of indefinite delivery type construction contracts it has become important to provide some definition to task order management for construction. This manual addresses both small construction indefinite delivery and design/build indefinite delivery task order management.

Summary. This memorandum establishes guidance in the management of indefinite delivery type construction contracts.

1. Purpose. This memorandum establishes procedures, which outline responsibility for contract management of indefinite delivery type construction contracts and delivery (task) orders.
2. Applicability. This memorandum applies to the Omaha District and its respective subdivisions involved in project execution using indefinite delivery type construction contracts.
3. References. This memorandum uses existing regulations and local guidance as the basis for its contents. The following regulations and guidance are referenced:
 - a. Federal Acquisition Regulations (FAR).
 - b. FAR Supplements: Defense Federal Acquisition Regulations (DFAR), Army Federal Acquisition Regulations (AFAR), Engineer Federal Acquisition Regulations (EFAR).
 - c. Engineer Regulation (ER) 5-1-11, Program and Project Management, 27 February 1998.
 - d. ER 37-345-10, Accounting and Reporting of Military Activities, 1 March 1969.
 - e. Directive Memorandum (DM) 415-1-4, Construction Contract Administration, Fixed Price, 1 October 1996.

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4. Policy and Objectives. It is standard policy to administer all construction contracts within established procedures using applicable laws, acts, and regulations as a basis for such procedures.

FOR THE COMMANDER:

2 APPENDICES
(See Table of Contents)

BRYAN S. VULCAN
LTC, EN
Deputy Commander

Construction
CONTRACT MANAGEMENT – INDEFINITE DELIVERY TYPE

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APPENDIX A

SMALL CONSTRUCTION PROJECT INDEFINITE DELIVERY TYPE (SCPIDT) CONTRACT MANAGEMENT

Summary. This Appendix defines the process applicable to all military, civil construction general, O&M (military and civil), and minor Hazard and Toxic Radioactive Waste (HTRW) projects to be issued via SCPIDT contract, regardless of whether they are “new” projects or “follow-on” projects from construction contracts. SCPIDT contracts are for construction only. Any design is incidental to construction activities. As a result, SCPIDT contracts contain only Davis-Bacon wage rates. They do not contain service contract rates. Under SCPIDT, an umbrella contract is awarded to the successful offer. There is no scope of work associated with award of the umbrella contract. The umbrella contract provides for task order awards within a regional geographic boundary. Scope is added by a series of individual task orders, which normally amount to less than \$1M and have construction duration of six months or less. Task orders are issued as firm-fixed-price or unit price schedules via Department of Defense (DD) Form 1155. This Appendix will highlight the unique aspects related to task order management under a SCPIDT contract.

1. Product delivery team. The following positions may be members of the product delivery team depending on the scope and complexity of the project.

a. Project Manager. The designated *Project Manager* (PM) may be assigned to any office within the district, but will primarily be assigned from Planning Programs and Project Management Division (PPMD), Construction Division (CD) or Operations Division (OP), depending on the scope and nature of the work and customer considerations. To facilitate customer responsiveness, an individual within the District organization first dealing with a customer on the request for services will perform initial PM activities. Subsequent PM responsibilities may be formally assigned to another organization based on management discretion. The PM will be the primary customer interface. The PM will be responsible for assembling and leading the *product delivery team* (PDT). The PM will be responsible for the entire project and manage project quality, project schedule and project cost. Customer funding activities will be coordinated by the PM. CD personnel will perform associated *program analyst* (PA) activities.

b. Acquisition Manager. The Area Office will be the *Acquisition Manager* (AM) responsible for management of the task order contracts. The Area Office AM will also perform parallel functions on all task order modifications within the authority of the

Administrative Contracting Officer (ACO), of the task order modification GSA Standard Form 30.

c. Contracting Officer. The *Contracting Officer* (CO) will reside in Contracting Division. The SCPIDT contract CO will assign the individual task order *Administrative Contracting Officer* (ACO) from the respective Construction Division Area/Resident Office responsible for task order construction management.

d. Contracting Officer Representative. The SCPIDT CO may designate the Area Engineer, Chief Office Engineering Section, Resident Engineer and/or the Project Engineer as an *Authorized Representative of the Contracting Officer* (COR) for assigned task order contracts. For non-traditional customers, COR appointments may also occur as necessary. The CORs, with their staffs, will issue RFPs, coordinate funds transfers, and handle the pre-award duties, to include the task order package preparation. After task order award, the COR will be responsible for all day to day formal acceptance of work, communication with the contractor, and for all progress payments.

e. Construction Quality Manager. Construction Division, Area Office, Resident Engineer will be the *Construction Quality Manager* (CQM) on all task orders for their respective areas. At the option of the Area Engineer, construction quality management support may be assigned to other offices (such as Operations Division for Civil O&M work at a project). However, the Area/Resident Engineer will remain responsible for the final product quality.

f. Contract Administrator. Construction Division, Contract Administration Branch will be the *Contract Administrator* (CA) responsible for the overall administration of the umbrella contract and its individual task orders. The CA will coordinate all modifications to the umbrella contract with the contract specialist and the CO. All contract and task order information will be coordinated through the CA. The CA will be responsible for monitoring and reporting all contract and task order activity to the *Project Review Committee* (PRC) and the *Project Review Board* (PRB).

g. Contract Specialist. The *Contract Specialist* (CS) will reside in Contracting Division. The CS is responsible for all procurement support activities for the umbrella SCPIDT contract and provides day to day support to the CO, to include automated systems and document formalization support. For task orders with an Area Office AM, the Contract Specialist is responsible for support activities requiring CO execution. The CS will review all final task order packages and coordinate official filing.

2. Planning for work

a. Requests for work.

(1) Initial requests. Either the PM or *Department/Division Manager* (DM) may initially receive requests for work from a customer. The contract and acquisition management team is composed of the PM, DM and the Contracting Officer. They will jointly determine if SCPIDT is the preferred contracting method. Once the initial determination is made for SCPIDT, all projects will be assigned to the CA in Construction Division, Contract Administration Branch for job set up and execution management.

(2) Customer orders. Orders with funding from military customers are normally transmitted on a *military interdepartmental purchase request* (MIPR) while orders from other civil federal agencies are normally made on a *memorandum of agreement* (MOA). The *Budget Officer* (BO) receives MIPRs and MOAs with their associated funding and records them in the finance and accounting system. The program analyst (PA) technically accepts the order and performs related financial work management functions. The *Finance and Accounting Officer* (FAO) certifies the order, and the BO then formally accepts it, thus funding the project.

b. Project execution plan. If required, the PM/DM electronically initiates a *project execution plan* (PEP) outlining contract alternatives and recommending a contracting method with supporting rationale. In some cases, the PEP process may be omitted if the acquisition strategy is clear-cut. Defined PEP processes will be followed. *Project Acquisition Strategy Board* (PASB) procedures will be followed where applicable.

c. Task order selection plan. Individual task orders will be awarded as outlined by the SCPIDT contract clauses. In most cases multiple SCPIDT contracts will be available for use by the contract and acquisition management team. If only one SCPIDT contract is available for a specific proposed job, then the task order is issued to that contractor. If multiple SCPIDT contracts are awarded under the same solicitation, task orders will be competed among all contractors. However, task orders may be awarded to a specific contractor without further competition provided that certain criteria are met. The criteria are:

(1) An urgent need exists and seeking competition would result in an unacceptable delay.

(2) Only one contractor is capable of the level of quality required because the requirement is unique or highly specialized.

(3) A single selection is in the interest of economy and efficiency as a logical follow-on to an order already completed.

(4) Minimum contract obligations are satisfied.

(5) Other criteria as approved in a the *task order selection plan* (TOSP) (must be within above criteria).

The single selection justification and related backup will be documented in (TOSP). A TOSP is only required for single selection task orders (See Figure A-4).

3. Award Activities.

a. Funding. The PM will coordinate all funding. Day-to-day PA activities will be performed by Construction Division, Contract Administration Branch, Contract Management Section.

b. Pre-Award. All customers will provide up-front funds for pre-award activities. This effort is performed on a cost reimbursement basis (at-cost). The following items will generally be used as separate line items in the pre-award estimate with amounts based on initial estimates of actual costs for the work:

Construction Division (District)	\$ _____
Construction Division (Area/Resident)	\$ _____
Engineering Division	\$ _____
Project Management Division	\$ _____
Contracting Division	\$ _____

c. Award. The PM is responsible for obtaining all funds required for task order award. Once the task order price is known, the PM sets up a project budget and prepares a Bid Data Sheet (See Figure B-1). The bid data sheet will be provided to the PA. The PA will prepare a pre-award *current working estimate* (CWE) based on the information provided in the Bid Data Sheet and the related estimates (See Figure B-2). Based on the pre-award CWE, the PM will request funds from the customer. Upon receipt, approval and acceptance of funds, the PA will prepare the award CWE, a contractual purchase request and commitment (PR&C) document, and an authorization to award memo. This information, combined with the task order supporting documentation by the CA and

forwarded to the CS, will formalize the award documents. The CO will award the task order and record the obligation approval in the finance and accounting system.

d. Post Award. The PM will be responsible for coordinating post award funding activities. The PA will maintain a CWE during construction activities. In conjunction with the PA and the AM/COR, the PM will monitor funds status. The PA will prepare requests for additional funds. The PM will be responsible for all funds requests, and for amendments to any MOAs. The PM will keep the customer apprised of all funding requirements.

4. Request for Proposal

a. Format. An RFP for a SCPIDT task order with multiple contractors should state the submission requirements, project requirements, criteria and evaluation factors. The RFP should provide the framework and requirements necessary for offerors to submit proposals. The major parts of the RFP include:

- Instructions to Proposers
- Solicitation/Task Order (DD Form 1155)
- Bidding Schedule
- Contract Clauses
- Special Contract Requirements
- Contract Forms
- Proposal Submission Requirements
- Evaluation Factors for Award
- Scope of work, Drawings, and Specifications

b. Scope. The scope of SCPIDT task orders shall be within the intent of the specific SCPIDT contract.

c. Submission Requirements. The RFP will sufficiently detail all submission requirements. Proposals not meeting the requirements in the RFP may be rejected.

d. Evaluation Requirements. The RFP will sufficiently detail all evaluation requirements. The RFP should explain how each proposal will be evaluated. Evaluation requirements may be omitted in single selection procurements.

5. Issue RFP and Receive Proposals.

a. The AM will be responsible for assigning all RFP numbers, issuing the RFP and monitoring receipt of all proposals. The COR will be responsible for issuing the RFP.

b. All submitted proposals will be reviewed to assure that all RFP requirements have been met and that there are no major improprieties. The government estimate and contractor proposals will be kept confidential and information will only be given to Government employees with a need to know.

6. Evaluation and Award

a. Evaluation and discussions. The majority of task order awards with multiple proposals will be based primarily upon price. Price evaluation will be conducted by the AM in conjunction with the COR. Discussions may occur if the proposals do not compare favorably with the government estimate and/or scope clarifications/revisions are required. Discussions are defined as oral or written communication between the Government and the contractor(s) concerning the scope of the RFP. Discussions may result in submission of final revised proposals. The AM/COR will chair discussions and all contractors shall be included. The AM/COR will prepare a price negotiation memorandum (PNM) detailing the basis for award.

b. Single selection negotiation. Single selection task orders may be negotiated.

c. Audit and certification requirements. Non-competed task orders over \$500,000 require an audit (if determined necessary) and a certification of current cost and pricing data. A determination and findings of adequate cost and pricing data without a new audit (audit waiver) may be requested for task orders that were subject to competition or had recent audits performed and other cost and pricing data is adequate.

d. Task order selection plan. A task order selection plan (TOSP) will be prepared for all sole source selections made to the competitive SCPIDT contracts. For non-competitive contracts, the TOSP is not required. The Contracting Officer will approve the completed TOSP (see Figure A-4). A copy of TOSP will be included in the final task order package.

e. The Contracting Officer will have final approval authority for all task order selections. The Contracting Officer will award all task orders.

f. Final task order package. The final task order package shall include all relevant documents sorted and divided in reverse chronology. (See Figure A-5).

7. Task Order Administration

a. Authorities. COR authority will be granted for each task order. Delegations will be based upon potential project location.

b. Modifications. The ACO will be responsible for acquisition management and award of all task order modifications within their authority. Defined construction modification procedures will be followed. Modifications to the umbrella contract will be managed by the CA, coordinated with the CS, and executed by the CO. Usually umbrella contract modifications will be no cost and administrative in nature. An example of an umbrella contract modification is exercising options.

c. Payments. The COR will be responsible for certification of progress payments. Defined payment processing procedures for construction will be followed.

d. Closeout.

(1) Task Order Closeout. The COR is responsible for final task order payment. The CA is responsible for task order closeout. Defined closeout procedures for construction will be followed. The CS is responsible for closeout of umbrella contracts. The umbrella contract will not be closed until all task order CWE is fiscally complete.

(2) Task Order Fiscal Closeout. The PA is responsible for fiscal closeout of the CWE and the associated financial work items for each task order.

(3) Transfer and acceptance of real property. When capital improvement items are involved, the PM is responsible for final preparation of the DD Form 1354, transfer and acceptance of military real property. The construction quality manager is responsible for the initial property turnover document provided to the user at time of construction completion. Real property documents are not required on expense account work involving reimbursable military construction (military O&M) or other civil funded work for other federal agencies.

OMAHA DISTRICT STANDARD OPERATING PROCEDURE FOR
ADMINISTRATION OF SCPIDT TASK ORDERS

1. SCPIDT was created to handle customer requests for small project execution. Initial contact is (a) made through the Resident Engineer and/or the Area Engineer, as is often the case when the customer is located at a military base, or (b) made through Program Management (PM), which is the normal procedure when the customer is non-military.

a. Area Engineer evaluates the proposed project and determines that it does or does not qualify for SCPIDT. If it is determined that SCPIDT is the proper contract vehicle, fast-forward to step 4 below. If not, PM is consulted regarding possible alternate methods of accomplishing the work, e.g. modification to existing contract if within scope or some sort of packaging arrangement under a new procurement.

b. PM electronically initiates Project Execution Plan (PEP) outlining possible contract alternatives and recommended contracting method together with supporting rationale. Supporting documentation to the PEP signature sheet should include the following:

- (1) Project Number
- (2) Customer (for funding) and End User (if different than Customer)
- (3) Type of funds
- (4) Whether there is involvement from other Corps Districts

(5) CENWO Project Management Team to include Project manager, CENWO-PM-P program analyst (varies), design team members (if in-house design), CENWO-CD-CM funds manager (varies), CENWO-CD-CA, CENWO-CT specialist, Area Office Administrative Contracting Officer (ACO) and negotiator (varies).

- (6) Location of Requested Work
- (7) Scope of Requested Work
- (8) Status of Design:

(a) Design Complete, add front end specs.

Figure A-1

(b) Design partially complete, to be completed by customer or in-house.

(c) No design, design to be completed in-house or by IDT AE.

(9) Estimated Cost of Requested Work

(10) Other requirements for Current Working Estimate (CWE) (contingencies required, as-builts, engineering services costs, etc.). See attached example.

(11) Government Estimate (GE) preparation: Indicate whether GE will be prepared by CENWO-ED-C or by Area Office. NOTE: Projects over \$100k must have government estimate.

(12) Critical Need Dates

(13) Special Considerations

(14) Acquisition Strategies Considered

(15) Action Plan for Procurement (Include the specific SCPIDT contract number)

(16) Delivery Order Selection Plan, if applicable

(17) Proposed Schedule

2. PEP Board reviews Project Manager's (PM) recommendation and either concurs or chooses alternate contract methods.

3. If SCPIDT contract is selected, CENWO-CD-CA provides copy of signed PEP document and all backup information, if applicable, to CENWO-CD-CA, CENWO-CD-CM program analyst (PA), CENWO-CD-QC Project Engineer, and Area Office.

4. PM determines project funding requirements to include the following:

a. Additional costs for Area Office pre-award activities such as scope definition, constructibility review, preparation of government estimate, negotiations, preparation of Delivery Order package, etc. PM to contact Area Engineer for estimated costs since this will vary per delivery order (mandatory).

Figure A-1 (Cont.)

- b. \$500 labor for Contracting pre-award activities for first delivery order under contract; \$250 labor for each subsequent delivery order (mandatory).
 - c. Funds for design of project (labor for CENWO–ED, cost of reproduction, etc.) and preparation of government estimate, if required.
 - d. Contract award funds (mandatory).
 - e. S&A for post-award activities: 5.7% for MILCON, 6.5% for O&M, 8% for DERP HTRW, direct charge funds for civil (mandatory).
 - f. Contingencies, as-built funds, etc. (as required).
5. PM sub-allocates Construction Division (CENWO-CD-CM PA) funding for pre-award activities based on the following requirements:
 - a. \$500 for CENWO–CD-C (mandatory)
 - b. \$1,500 initial funding (“seed money”) for Area Office (mandatory)
 6. Via e-mail, CENWO-CD-CM PA provides Area Office with labor charge code for pre-award activities.
 7. CENWO-CD-CA initiates negative number Delivery Order (D.O.) in CMS.
 8. PM prepares Pre-award Bid Data Sheet (PBDS) and provides to CENWO–CD-CM PA.
 9. CENWO–CD-CM PA prepares preliminary pre-award CWE per the PBDS criteria, and provides it to the PM and Area Office.
 10. PM-P PA requests project funds from Customer, based upon pre-award CWE.
 11. PM-P PA receives funds from Customer.
 12. PM-P PA sub-allocates funds to CENWO–CD-CM funds manager.
 13. CENWO–CD-CM funds manager receives funds from PM-P.

Figure A-1 (Cont.)

14. As required, PM requests design from Architect Engineer or CENWO-ED-D and government estimate (GE) from CENWO-ED-C.
15. PM provides design and GE to Area Office with confirmatory e-mail to Project Team.
16. Field office engineer verifies in CMS for next task order number and requests/obtains current wage rates from CENWO-OC.
17. A document setting forth the rationale for making the selection without competition should be completed, signed by the Area Engineer, and included in the delivery order file. The Task Order Selection Plan (TSOP) is then used to document the contractor selection. The completed TOSP is forwarded to CENWO-CD-CA for approval by the Contracting Officer. The approved TOSP is then returned to Area Engineer for inclusion in the delivery order file.
18. Area Office AM prepares request for proposal (RFP). If there are multiple SCPIDT contracts, the RFP is sent to each contractor. The RFP must address the following issues:
 - a. Scope of work and location.
 - b. Detailed description of work, including sketches drawings, specifications, etc.
 - c. Performance period, i.e. number of calendar days after NTP to complete the work.
 - d. Section 00800 special requirements, including wage rates.
 - e. Instructions to bidders regarding:
 - (1) Where to send proposals.
 - (2) Date and time the proposals are due (usually two weeks).
 - (3) Point of contact for questions.
 - (4) Location, date and time of site visit.
 - (5) Time after proposals are received that they are valid (normally 45 days).

Figure A-1 (Cont.)

(6) Evaluation factors (included only if multiple SCPIDT contracts). Inform Contractors they will be notified when Government evaluation is complete and award is made.

19. Contractor(s) provide proposal to Area Office.

20. Field office evaluates proposals based upon criteria set out in FAR 16.505(b)(ii)(E), (iii)(A) and in the RFP. If multiple SCPIDT contracts are involved, award will be based on the highest ranked proposal. Proposals are opened in the presence of the ACO. Any proposals received after the time specified in the RFP and/or do not comply fully with the requirements of the RFP may not be evaluated. The government estimate and the proposals will be kept confidential and information will only be given to government employees with a need to know. A memorandum for record (MFR) will be prepared listing the proposals received and forwarded to CENWO-CD-CA.

21. If the proposals do not compare favorably with the government estimate, discussions can occur. "Discussion" means any oral or written communication between the Government and a Contractor that will enable the Contractor to revise or modify its proposal. Discussions will be chaired by the ACO or Acquisition Manager (AM) and all Contractors will be allowed to submit a best and final offer.

22. If sufficient funds are available for award, the Area Office requests CENWO-CD-CM funds manager to prepare award CWE. If sufficient funds are available, the Area Office finalizes negotiations, completes D.O. supporting documentation, and prepares package for award and forwards to CENWO-CD-CA. If funds are insufficient, Area contacts PM. If funds request is required, CENWO-CD-CM funds manager prepares request via PM.

23. T.O. package should be tabbed, indexed, and include (as a minimum) the documents indicated below.

- a. Cover sheet with index.
- b. Letter of instruction (to transmit important information regarding processing).
- c. Completed Final Draft DD1155:
 - (1) Scope of work, including plans and specs.

Figure A-1 (Cont.)

(2) Payment Schedule. Normally this will be lump sum, but unit price items may be included as necessary.

(3) Current wage rates.

(4) Duration from Notice To Proceed (NTP)/Award.

(5) Statement regarding requirement for bonds.

d. Price Negotiations Memorandum (PNM).

e. Prenegotiation Objectives/Technical Analysis.

f. Contractor's Work Plan (if required).

g. Contractor's proposal (original and revised).

h. Government Estimate.

i. Copy of RFP.

j. Audit Analysis (Required if Area has one SCPIDT contract and DD Form 1155 amount exceeds \$500,000).

k. Copy of Approved Delivery Order Selection Plan (if required).

l. Two FAX header sheets completed with Area Office and Contractor's FAX numbers. (This is for Contracting to FAX advance copies of the Award/NTP.)

24. CENWO-CD-CA provides D.O. package to CENWO-CD-CM funds manager for preparation of Authority to Award letter & PR&C.

25. CENWO-CD-CM funds manager prepares Authority to Award letter and PR&C for cost of D.O. plus (\$500 for first D.O./\$250 for each subsequent D.O.) for CENWO-CT labor.

26. CENWO-CD-CA logs D.O. out, makes CENWO-CD-C file copy, and delivers D.O. and Authority to Award letter to CENWO-CT for processing and execution by Contracting Officer.

Figure A-1 (Cont.)

27. CENWO-CT awards D.O. and if required, obtains bonds and issues NTP. With the first delivery order issued for each IDT contract, CENWO-CT prepares a blanket delegation of authority letter for ACO and Contracting Officer Representative (COR). This delegation includes any and all D.O.'s and modifications issued under the contract. Requested changes to delegation should be forwarded to CENWO-CD-CA.
28. CENWO-CD-CA completes CMS maintenance (converts negative D.O. number).
29. Upon award/NTP, Contractor proceeds with construction.
30. If required, PM requests after award engineering services from CENWO-ED or A/E (shop drawing/submittal review, etc.).
31. Modifications to Umbrella Contract: Modification to the umbrella contract (such as exercising the option year, etc.), will be prepared by CENWO-CD-CA and executed by the Contracting Officer. The CENWO-CD-CM funds manager will prepare a new \$0 PR&C using any valid funding account data.
32. Modifications to Delivery Orders: Modification to delivery orders will be prepared by the Area Office and executed by the Administrative Contracting Officer (ACO) within his delegated authority. See reference 3.f. for further guidance.
33. Exercising Option Years: Ninety, 60, and 30 days prior to expiration of the base year period, Contract Management System (CMS) will auto-message everyone who has received auto-message notices of award. The auto-message will state that the base contract will expire in 90, 60, or 30 days. This is to give CENWO-CD and CENWO-CT time to notify the contractor of intent, and to exercise the option.
34. Delivery Orders funded under the civil O&M program will be coordinated with the Operations Division technical manager (PM) and the Operations Division program analyst (CENWO-PM-P).
35. CENWO-CD-CA POC for all SCPIIDT contracts CENWO-CD-CA, extension 4242 or extension 4243.

Figure A-1 (Cont.)

ROCKY MOUNTAIN AREA STANDARD OPERATING PROCEDURES FOR
ADMINISTRATION OF TASK ORDERS:

1. Purpose: To state the policy and procedures and to prescribe the responsibilities and assignments of Rocky Mountain Area personnel for the processing of Task Orders.
2. Applicability: All SCPIDT Contracts under the jurisdiction of the Rocky Mountain Area.
3. References: SMALL CONSTRUCTION PROJECT INDEFINITE DELIVERY TYPE (SCPIDT); SOLICITATION NO. DACA45-99-R-0009, Contract DACA45-99-D-0005; SOLICITATION NO. DACA45-99-R-0010, Contracts DACA45-99-D-0009, 0016, and 0018, SOLICITATION NO. DACA45-99-R-0016, SOLICITATION NO. DACA45-99-R-0017.
4. Policy:
 - a. Scope of project and initial funds are established by Project Manager (PM) and/or Resident Engineer. This is accomplished through Marketing and Users requests.
 - b. When the scope of work is defined and a government estimate is prepared, a decision is made to use either the three (3) SCPIDT Contractors or the single IDIQ contractor. The Resident Engineer or Chief, Office Engineering Section will make the evaluation and decision.
 - c. The following are steps when using multiple SCPIDT Contractors:
 - (1) ESTABLISH RFP - Contact Technical Section, Civil Engr Tech (Lisa Peters) or Omaha District, Construction Task Order Manager (Doug Engen) to establish the next available RFP number.
 - (2) RFP - When funds are received from the Using Service, an RFP is issued to the SCPIDT Contractors. Provide copy to Technical Section, Civil Engr Tech (Lisa Peters) and 2 copies to Omaha District, Construction Task Order Manager (Doug Engen). The RFP needs to address the following issues:
 - a. Scope of work and location.

Figure A-2

b. Detailed description of work, including sketches, drawings, specifications, etc.

c. Any changes/or revisions to the General Requirements of the SCPIDT contract. (Wage rate application, Project schedule, Liquidated damages, Submittal procedure, etc.)

d. Performance period, i.e., so many calendar days after NTP.

e. Entrance and escort requirements.

(3) SERIAL LETTER - The RFP should be attached to a Serial Letter (same number for each Contractor) containing the following:

a. Proposals should be sent to the Area Office, Attn: Chief, OES.

b. Date and time the proposals are due (usually two weeks).

c. Point of contact for questions.

d. Location, date and time of Site Visit (arranged by the Resident Engineer).

e. Time after proposals are received that they are valid (45 days).

f. Inform Contractors they will be notified when award is made.

(4) PROPOSAL EVALUATION - When proposals are received they will be opened in the presence of Chief, OES (Ed Texel) and ACO (Robert Michaels).

a. Any proposals received after the time specified in the RFP or do not provide the requested information per the RFP may not be evaluated.

b. The Government estimate and the proposals will be kept confidential and information will only be given to Government employees with a need to know.

c. A Memorandum for Record will be prepared listing the results of the proposals received. A copy of this MFR will be sent to Omaha District, Construction Task Order Manager (Doug Engen).

Figure A-2 (Cont.)

d. The Resident or Office Engineer will be notified of the results and will be given the proposals for evaluation.

e. If the contractor's proposals do not compare favorably with the government estimate, a reconciliation or the government estimate and the proposal will be necessary and must be documented.

f. If award is not possible, i.e. insufficient funds, the Project Manager shall be notified to cancel, downscope or request additional funding. Discussions may occur with the Contractors. "Discussion" means written or oral communication between the Government and a Contractor that will enable the Contractor to revise or modify his proposal. Discussions will be chaired by the ACO and all Contractors will be allowed to submit a best and final offer.

(5) AWARD PACKAGE - If after evaluation of the proposals the award can be made, then the award procedure will be initiated. Contact Technical Section, Civil Engr Tech (Lisa Peters) to establish the next available task order number. The Task Order Package will be prepared and FedEx to Omaha with the following contents:

a. DD1155, Scope of Work and any Amendments issued (provide copy to Area Office).

b. Wage Decision (most current)

c. Serial Letters issuing Scope Revisions, RFI Clarifications, etc.

d. Contractors Proposals

e. Proposal Analysis/Recommendation

f. Government Estimate

g. Request for Proposal

(6) RFP CHANGES - Any changes made after receipt and acceptance, i.e., award and/or NTP, will be processed by modification to the successful Contractor.

Figure A-2 (Cont.)

d. The Point of Contact (POC) for task orders will generally be the Resident Office Engineer. Non-traditional users, i.e., VA, Post Office, Reserve Center, GSA, etc. will be assigned to the OES Civil Engineering Technician (Bill Weaver). OES will also provide support for all Task Orders when requested. The following are the responsibility of the POC:

(1) Assure that a review of all government estimates be accomplished prior to issuing the RFP.

(2) Assure a site visit is held, if required (generally more than \$25,000), in the first half of the bid period for all Task Orders. This visit will be documented in an MFR to include personnel in attendance and any questions. A copy of this MFR will be sent to Technical Section, Civil Engr Tech (Lisa Peters) and to the Office Engineer. To address all questions, either an amendment or a clarification serial letter will be provided to each Contractor.

(3) Notify Technical Section, Civil Engineering Technician (Lisa Peters) of any changes to the proposal due date.

(4) Evaluate the proposals and prepare Task Order package, with recommendations, to be sent to Omaha District, Construction Task Order Manager (Doug Engen).

(5) Notify the Contractors when a successful proposal is established, i.e., award and NTP is made in Omaha. If requested, proposal amounts can be revealed.

e. The steps for an Indefinite Delivery Indefinite Quantity (IDIQ) contract are very similar to the above. The differences are:

(1) One RFP is sent to one Contractor. It automatically becomes the next Task Order.

(2) Final price and time are subject to negotiation with the Contractor.

(3) Confidentiality is not as critical.

(4) The award package will be prepared in the following sequence and FedEx to Omaha: DD1155 and Scope of Work, Wage Decision, PNM, Pre-negotiation Objectives, Proposal Analysis, Contractors Proposal, Request for Proposal, GE.

Figure A-2 (Cont.)

5. Discussion: It is the intention of these procedures to establish standard guidelines that everyone can utilize, to provide continuity and uniformity in processing Task Order RFPs, including Modifications and Amendments to the Task Orders. It is acknowledged there will be situations that require deviations from this procedure. It is important to maintain flexibility and allow for special situations.

This policy will be revised as new Contracts are awarded, i.e., 8A Design-Build and more SCPIDT Contractors.

Robert Michaels
Area Engineer

Figure A-2 (Cont.)

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1 Dec 2000

NOTIFICATION OF RECEIPT OF CONTRACTOR'S PROPOSALS

MEMORANDUM FOR RECORD

16 August 2000

SUBJECT: Opening of Contractors Proposals for 99-R-0010, RFP – 3.

REFERENCE: Contract Solicitation No. DACA45-99-R-0010, Small Construction Project Indefinite Delivery Type (SCPIDT), RPF-3, Make-Up Water Project, Buckley Air National Guard, SBRIS/MCS Facility.

1. The following proposals were received and opened on 16 August 2000 at 1500 hours in the Area Office in the presence of Robert Michaels and Lisa Peters.

CONTRACTOR:	BASE PROPOSAL:
Faith Enterprises, Inc.	No Proposal
PI Construction Corporation	\$224,630.00
Martinez Construction & Development Company	\$435,000.00
Government Estimate:	\$75,900.00

2. The proposals were given to the Civil Engineering Technician, Lisa Peters. They will be reviewed and evaluated on price. PI Construction was requested to provide a breakdown of materials, labor and equipment suitable for analysis per the RFP. A recommendation for award along with the supporting documents will be sent to Omaha District, Construction Division, Contract Admin. Section, Attention: Doug Engen. Upon review and verification of funds, an award and NTP will be given by the Contracting Officer.

3. This MFR will serve as a formal document to verify that all proposals were received and opened on the time indicated in the Request for Proposal. This is accordance with the interim Area Office Policy for administration of Task Orders.

Edward Texel
Acting Chief
Office Engineering Section

Figure A-3

A - 20

TASK ORDER SELECTION PLAN
CONTRACT DACA 45-99-D-0009
SMALL CONSTRUCTION PROJECT INDEFINITE DELIVERY TYPE (SCPIDT)
RMA

SCOPE:

- Hand excavate the tops of 11 underground fuel storage tanks.
- Pressurize the tanks with an approved gas to confirm which ports of entry have leaks.
- Repair the tanks to the manufactures specifications.
- Retest the tanks.

Contractor "a" Martinez Construction and Development Company

Contractor "b" PI Construction Corporation

Contractor "c" Faith Enterprises Incorporation

Determination of awardee for Delivery Order No. 14

Based on the below criteria, it is awarded is recommended to Contractor a, Martinez Construction and Development Company.

1. Describe the contractor's performance on past delivery orders.

Contractor "a" ___ poor x good ___ excellent.
Contractor "b" ___ poor x good ___ excellent.
Contractor "c" ___ poor x good ___ excellent

Comments: For the work done under DACA45-97-D-0006—Task Orders 20, 27 & 28 installing vapor monitoring equipment, Martinez received outstanding performance ratings.

17. Describe the level of quality on past delivery orders.

Contractor "a" ___ poor x good ___ excellent.
Contractor "b" ___ poor x good ___ excellent.
Contractor "c" ___ poor x good ___ excellent.

Figure A-4

Comments: For the work done under DACA45-97-D-0006—Task Orders 20, 27 & 28 installing vapor monitoring equipment, Martinez received outstanding performance ratings.

3. Describe the contractor's ability to control costs (including modification costs) on past delivery orders.

- Contractor "a" poor good excellent.
- Contractor "b" poor good excellent.
- Contractor "c" poor good excellent.

Comments: For the work done under DACA45-97-D-0006—Task Orders 20, 27 & 28 installing vapor monitoring equipment, this contractor received outstanding performance ratings.

4. Describe the prior experience with the contractor's pricing of prior delivery orders.

- Contractor "a" Initial price has been acceptable without the need of negotiations.
- Minor negotiations have been required, mostly scope issues.
- Extensive negotiations have been required.
- Extremely difficult negotiations have been necessary.

- Contractor "b" Initial price has been acceptable without the need of negotiations.
- Minor negotiations have been required.
- Extensive negotiations have been required.
- Extremely difficult negotiations have been necessary.

- Contractor "c" Initial price has been acceptable without the need of negotiations.
- Minor negotiations have been required.
- Extensive negotiations have been required.
- Extremely difficult negotiations have been necessary.

Comments _____

5. Describe the timeliness of delivery on past delivery orders.

- Contractor "a" No delivery orders have been delivered late.
- Some delivery orders have been delivered late.
- All proposals have been delivered in a timely manner.
- Some proposals have been difficult to obtain in a timely manner.

Figure A-4 (Cont.)

Contractor “b” No delivery orders have been delivered late.
 Some delivery orders have been delivered late.
 All proposals have been delivered in a timely manner.
 Some proposals have been difficult to obtain in a timely manner.

Contractor “c” No delivery orders have been delivered late.
 Some delivery orders have been delivered late.
 All proposals have been delivered in a timely manner.
 Some proposals have been difficult to obtain in a timely manner.

Comments: When delivery orders were completed beyond the specified completion dates, in each case, the reason has been due to modifications. This is true for all three contractors.

Does one or the other of the contractors have resources or expertise that are well matched to the requirements of this delivery order? The reason that contractor “a” has been requested to be the sole source for this scope of work is because Project Manager, Mr. Rob Hicks, has; the required experience and qualifications to repair underground fuel storage tanks, actual experience working on these same tanks under DACA45-97-D-0006—Task Orders 20, 27 & 28 installing vapor monitoring equipment and understands the configuration of the underground piping from the tanks to the service islands. This work is considered a logical follow-on to the previous work described above. It is the experience of the using service that if a new contractor were to be introduced to this area of work, unnecessary damage will occur that will take the POL facility out of service for unacceptable periods of time. These tanks are critical to the daily operation of Fort Carson’s mission.

Are there other factors that should be considered? No.

Based upon the above analysis, it is recommended that a proposal and work plan for Delivery Order 14 be solicited from Contractor _a_, and if the proposed price is fair and reasonable, and if details of the work plan are acceptable, award of the Delivery Order to Contractor “a” is authorized.

Administrative Contracting Officer

Contracting Officer

Date

Figure A-4 (Cont.)

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**FINAL DELIVERY ORDER PACKAGE
FOR SCPIDT**

Figure A-5

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COVER SHEET

SMALL CONSTRUCTION PROJECT INDEFINITE DELIVERY TYPE (SCPIDT)
 DELIVERY ORDER OVER \$500,000
 Solicitation No. DACA45-99-R-0010 Delivery Order No. 0001
 Dean Kurtz Construction Co., Inc

Contracting Activity: U.S. Army Corps of Engineers, Omaha District
 Black Hills Area

Description of Work: REPLACE FLOORING, Oahe Powerhouse, SD

	<u>Amount</u>	<u>Time</u>
Original Government Estimate	\$352,851 Increase	270 Calendar Days
Settled Price	\$614,930 Increase	Same as Above

Negotiator: Larry Jackson, PE Tele: (605) 341-3169

Approved By: _____ Date _____ Tele: (605) 341-3169
Mark Mailander, Area Engineer

Contract Review Board Approval:
 Construction Division _____ Date _____

Engineering Division _____ Date _____

Project Manager _____ Date _____

Office of Counsel _____ Date _____

Contracting Division _____ Date _____

Contracting Officer _____ Date _____

<u>DOCUMENTATION</u>	<u>TAB NO.</u>
DD Form 1155, Including Scope Of Work dated June 1999 and Wage Decision	1
PR&C	2
Price Negotiations Memorandum/Revised GE, MOU and CCCP Data	3
Contractor's Revised Proposal	4
Pre-Negotiations Objectives	5
Proposal Analysis	6
Contractor's Original Proposal and Work Plan	7
Request For Proposal	8
Original Government Estimate	9
Audit Analysis	10

ADDITIONAL COMMENTS/SPECIAL INSTRUCTIONS:
 Process DD 1155 as soon as possible. NTP required NLT
 Figure A-5 (Cont.)

SMALL CONSTRUCTION
PROJECT INDEFINITE DELIVERY TYPE
(SCPIDT)

Black Hills Area Office

DACA45-99-R-0010
Delivery Order No. 0001

Replace Flooring, Oahe Powerhouse,
SD

INDEX

SMALL CONSTRUCTION PROJECT INDEFINITE DELIVERY TYPE (SCPIDT)
BLACK HILLS AREA OFFICE
SOLICITATION NO. DACA45-99-R-0010
Delivery Order No. 0001
Replace Flooring, Oahe Powerhouse, SD
Dean Kurtz Construction Co.
Rapid City, South Dakota 57709

- TAB 1 DD Form 1155, Including Scope Of Work dated June 1999 & Wage Decision
- TAB 2 PR&C
- TAB 3 Price Negotiations Memorandum (PNM)/Revised Government Estimate, MOU & CCCP Data
- TAB 4 Contractor's Revised Proposal
- TAB 5 Pre-Negotiations Objectives
- TAB 6 Proposal Analysis
- TAB 7 Contractor's Original Proposal & Work Plan
- TAB 8 Request For Proposal (RFP)
- TAB 9 Original Government Estimate
- TAB 10 Audit Analysis

Figure A-5 (Cont.)

TAB 1

DD Form 1155, Including
Scope Of Work dated June
1999 & Wage Decision

Figure A-5 (Cont.)

ORDER FOR SUPPLIES OR SERVICES <i>(Contractor must submit four copies of invoice.)</i>				Price/Unit As Shown/As Billed Specify Date, Y2000	PRICE 1	
<p>Rule regarding breach of this order of information is address coverage 1 hour per report, including the time for relating information, searching existing data sources, gathering and maintaining the data needed, processing and analyzing the data of information. Site contractor agrees this breach of coverage in any other aspect of this order of information, including suggestions for reducing this breach, to Department of Defense, Washington Headquarters Service, Directorate for Information Operations Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and/or the Office of Management and Budget, Paperwork Reduction Project (0704-0187), Washington, DC 20503.</p> <p>PLEASE DO NOT RETURN YOUR FORM TO EITHER OF THESE ADDRESSES. SEND YOUR COMPLETED FORM TO THE PROCUREMENT OFFICIAL IDENTIFIED IN ITEM 6.</p>						
1. CONTRACT NUMBER DACA45-99-D-0005	2. ORDER NUMBER 013	3. ORDER NUMBER (Y2000)	4. REQUEST FOR QUOTE/REQUEST NO	5. PRICE		
6. ORDER BY US ARMY CORPS OF ENGINEERS CONTRACTING DIVISION (CT) 215 NORTH 17 TH STREET OMAHA, NEBRASKA 68102-4978		7. ADDRESS BY (Contracting) ROCKY MOUNTAIN AREA OFFICE USACE ROCKY MOUNTAIN AREA 1050 S. ACADEMY BLVD COLORADO SPRINGS, CO 80910-3924		8. ORDER BY DEF <input checked="" type="checkbox"/> OTHER (Specify in column)		
9. CONTRACTOR NAME AND ADDRESS * MARTINEZ CONSTRUCTION & DEVELOPMENT CO. * HEATHER RIDGE COUNTRY CLUB OF C COMPLEX 2280 XANADU WAY STE #300 AURORA, CO 80014		10. ORDER NUMBER BY DUNS (Y2000)	11. PART NUMBER IS <input checked="" type="checkbox"/> SMALL <input type="checkbox"/> SMALL LEAD <input type="checkbox"/> UNKNOWN	12. QUANTITY N/A	13. UNIT PRICE N/A	
14. SHIP TO N/A	15. PAYMENT ADDRESS BY US ARMY CORPS OF ENGINEERS OMAHA DISTRICT 215 N. 17 TH ST OMAHA, NE 68102-4978		16. ORDER NUMBER AND PART NUMBER CONTRACTOR ORDER NUMBER			
<p>16. TYPE OF ORDER: <input checked="" type="checkbox"/> REORDER <input type="checkbox"/> NEW ORDER <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> CANCELLED ORDER</p> <p>This order is subject to the Government's standard terms and conditions for acquisition of supplies and services, including the FAR, and any other applicable terms and conditions of acquisition. This order is subject to the FAR, and any other applicable terms and conditions of acquisition.</p> <p>Martinez Const. & Dev Co. CONTRACTOR ADDRESS: _____ CITY: _____ STATE: _____ ZIP: _____</p> <p><input checked="" type="checkbox"/> This order is subject to the Government's standard terms and conditions for acquisition of supplies and services, including the FAR, and any other applicable terms and conditions of acquisition.</p>						
17. ACCOUNTING AND REPORTING INFORMATION 21 NA 1999 2020.0000 G6 1999 08 8061 43885650000 25066 3200 003199						
18. ITEM NO	19. SCHEDULE OF PERFORMANCE	20. QUANTITY ORDERED/ACCEPTED	21. UNIT	22. UNIT PRICE	23. AMOUNT	
0001	Site Closure Activities, Building 3192, Ft. Carson, Colorado Duration: 180 Calendar Days from effective Notice to Proceed PROVIDE THE PERFORMANCE AND PAYMENT BONDS WITHIN 10 DAYS AND THE NOTICE TO PROCEED WILL BE ISSUED. ATTACHMENTS: Wage Decision CO990001, Modification 6 dated 09/03/99 Scope of Work Dated 2 September 1999	1	jb	\$48,769.00	\$48,769.00	
* If quantity is acceptable to Government, it is subject to the FAR, and any other applicable terms and conditions of acquisition.		24. UNIT PRICE/PRICE PER LB		25. TOTAL	\$48,769.00	
26. QUANTITY RECEIVED: <input type="checkbox"/> REPORTED <input type="checkbox"/> RECEIVED <input type="checkbox"/> ACCEPTED AND CONTRACTOR HAS BEEN NOTIFIED		27. SHIP TO		28. CONTRACT NUMBER	29. ORDER NUMBER	
DATE _____		<input type="checkbox"/> PARTIAL <input type="checkbox"/> FULL		30. ORDER NUMBER		
31. ORDER NUMBER FOR DELIVERY REPRESENTATIVE		31. PARTIAL <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FULL		32. ORDER NUMBER		
35. Identify the contract source and price for paper.		36. TOTAL CONTINGENTS		41. ORDER NUMBER		
38. ORDER DATE	39. ORDER NUMBER	40. ORDER NUMBER (Y2000)	42. ORDER NUMBER			

DD FORM 155, APR 93

PREVIOUS EDITIONS ARE OBSOLETE

USE PREVIOUS EDITIONS



TAB 2

PR&C

Figure A-5 (Cont.)

TAB 3

Price Negotiations Memorandum (PNM) Revised GE, MOU and CCCP Data

Figure A-5 (Cont.)

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PRICE NEGOTIATIONS MEMORANDUM

SMALL CONSTRUCTION PROJECT INDEFINITE DELIVERY TYPE (SCPIDT)
BLACK HILLS AREA OFFICE
SOLICITATION NO. DACA45-99-R-0010
Delivery Order No. 0001
Replace Flooring, Oahe Powerhouse, SD
Dean Kurtz Construction Co.
Rapid City, South Dakota 57709

Negotiations were held on July 19, 1999 at the Black Hills Area Office between contractor representative Brad Kurtz and government representative Larry Jackson. Each of the pre-negotiations objectives were addressed as follows:

Schedule – Mr. Jackson raised the possibility of overlapping the demo and tile placement to shorten the duration. Mr. Kurtz explained that this would not be possible because the tile setters will not be available until the end of October due to other work commitments. Also, he needs to have his demo crew finish up by mid-November because they will be moving on to a job at the hospital in Pierre that must get started right away. So, it was agreed that the contract duration will remain at 270 calendar days.

Sheet 2

The costs on sheet 2 were addressed next.

Demo Tile/Mud Bed, Item 1 – Mr. Kurtz stated that he used Means prices and included an adjustment for working in an enclosed atmosphere with respirators. He plans to enclose one bay at a time. He will use a 7-man crew with chipping hammers powered by two air compressors. Therefore, the equipment cost has not been duplicated. He raised the possibility of the dam supplying air from their compressor as a means of saving on the cost. Mr. Jackson placed a call to Mr. Eric Stasch at Oahe to inquire about this possibility. Mr. Stasch did some checking and called back right away. He said this would not work because the dam can't have their air service interrupted for the length of time required to do the demo. So, it was agreed that air compressors will need to be brought in.

Mr. Jackson stated that the 3-month schedule for demo seems excessive. A 7-man crew working for 3 months comes to 3,360 manhours. For an area of 20,000 sf, this amounts to a productivity rate of 0.17 mh/sf. This is much higher than Means. Means shows a productivity of three times this rate, which means the demo could be done in one month. Mr. Kurtz agreed that 3 months is excessive, but would not agree to one month. His reason was that there is a risk that the existing mortar bed may be very tightly bonded to the concrete underneath. Also, the fact that the workers will be wearing respirators will affect productivity. After a lengthy discussion, it was agreed to shorten the duration for demo from 3 months to 2 months. Therefore, the cost for this item was adjusted from \$25,122 to \$16,748.

Demo QT Base, Item 2 – Based on the above discussion, the cost for this item was reduced from \$5,420 to \$3,604.

Figure A-5 (Cont.)

PRICE NEGOTIATIONS MEMORANDUM CONTINUED
Page 2 of 3

Demo QT Ledge at Generators, Item 3 – Based on the item 1 discussion, the cost for this item was reduced from \$4,890 to \$3,257.

Roughen Structural Slab, Item 4 – Mr. Kurtz stated that material cost is covered in the equipment price. He suggested deleting this item because he thinks sandblasting will not be necessary. He thinks the concrete surface will be roughened from the chipping hammers during demo of the mortar bed. Rather than revise the spec, it was agreed to leave this item in the proposal with the understanding that full credit will be given if it is decided at a later date that this work is not required.

Disposal of Debris, Item 11 – Mr. Kurtz stated that the unit prices were taken from Means. They were reviewed and determined to be acceptable.

Sheet 1

Sheet 1 costs were revised based on decreasing the duration of the demo from 3 months to 2 months.

Supervision, Item 3 – The duration was revised to 35 weeks, which reduced the cost from \$15,600 to \$14,000.

P-G-O, Item 4 – Revised the duration to 35 weeks for a total cost of \$6,125.

Engineering-Testing, Item 6 – Mr. Kurtz stated that moisture vapor emissions testing is covered by the tile installation subcontractor. Testing of the mortar bed material was also discussed. Mr. Jim Winjum participated in this discussion. Mr. Kurtz stated that “spec mix” will be used. This is the tall cone-shaped tower that masons are now using on most jobs. It pre-mixes the mortar. Therefore it was agreed that testing will not be required.

Job Office, Item 8 – Revised the duration to 8 mos. for a total cost of \$1,840.

Temporary Toilet, Item 9 – Mr. Kurtz prefers to use a porta-potty. The powerhouse facility is quite a distance from the work area and he feels it would result in considerable lost time for the workers to use this facility. The duration was changed to 8 months for a total cost of \$800.

Temporary Telephone, Item 12 – Revised duration to 8 mos. for a total cost of \$2,000.

Materials Protection, Item 17 – This cost is covered.

Final Cleaning, Item 21 – Item 9 was not deleted, but the proposed amount of \$1,680 was accepted as fair and reasonable.

Punch List, Item 22 – This cost is covered.

Figure A-5 (Cont.)

PRICE NEGOTIATIONS MEMORANDUM CONTINUED
Page 3 of 3

New Quarry Tile Installation

Mr. Kurtz verified that the low bid, Ceramic Designs, includes all of Section 09310 except slab roughening, and that moisture vapor emissions testing is included in their bid. He also provided a copy of a third bid from a firm in Colorado Springs in the amount of \$378,396. Ceramic Designs bid of \$311,427 is still the low bid.

Markups

Profit – The three factors degree of risk, relative difficulty and period of performance were discussed. They were revised downward, which revised the profit from 9.35% to 8.5%.

The revised amount of the proposal was calculated to be \$614,930 increase. Accordingly, an MOU “handshake” agreement dated July 19, 1999 was signed by Mr. Kurtz and Mr. Jackson. A Certification of Current Cost or Pricing Data was also signed by Mr. Kurtz, President of Dean Kurtz Construction Co.

FINAL NEGOTIATED SETTLEMENT

The contractor’s revised proposal in the amount of \$614,930.00 increase and 270 calendar days performance time is considered fair and reasonable when compared with the revised Government Estimate in the amount of \$614,930.00 increase dated July 19, 1999, and is recommended for acceptance by the Contracting Officer.

LAWRENCE C. JACKSON, PE, Civil Engineer/Negotiator

Date

Figure A-5 (Cont.)

MEMORANDUM OF UNDERSTANDING	
DATE: 14 June 1999	MODIFICATION NO. P0001
CONTRACT NUMBER DACA45-99-C-0018	AREA OFFICE BLACK HILLS AREA OFFICE
PROJECT AND LOCATION ADAL Aeromedical & Dental Clinic Facilities, Grand Forks AFB, North Dakota	
The following price and time are agreed to in full settlement for all work under this modification, including any revision noted below and under "Revised Scope":	
PRICE: \$104,977.00 INCREASE	
TIME (Cite each schedule): No Change	
REVISED SCOPE: See Attached Pages 2 and 3 of 3	
It is understood and agreed that the adjustment to the contract price and time for performance set forth herein is inclusive of all costs and time incurred by the contractor as a consequence of this modification individually and collectively with other modifications including, but not limited to, those for delay, impact, inefficiency and extended field overhead and home office overhead.	
GOVERNMENT REPRESENTATIVE LARRY JACKSON, PE, Civil Engineer	CONTRACTOR REPRESENTATIVE VITAL BROUILLARD, Project Manager
EXCEPTIONS: Subject to the approval of the Contracting Officer and the availability of funds.	

Figure A-5 (Cont.)

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CERTIFICATE OF CURRENT COST OR PRICING DATA

This is to certify that, to the best of my knowledge and belief, the cost or pricing data (as defined in section 15.401 of the Federal Acquisition Regulation (FAR) and required under FAR subsection 15.403-4) submitted, either actually or by specific identification in writing, to the Contracting Officer or to the Contracting Officer's representative in support of Delivery Order No. 0001 for Small Construction Project Indefinite Delivery Type Construction Contract (Solicitation DACA45-99-R-0010) at Oahe Powerhouse, SD are accurate, complete, and current as of _____. This certification includes the cost or pricing data supporting any advance agreements and forward pricing rate agreements between the offeror and the Government that are part of the proposal.

FIRM	Dean Kurtz Construction Company
NAME	Bradley D. Kurtz
TITLE	President
SIGNATURE	
DATE OF EXECUTION	

Figure A-5 (Cont.)

TAB 4

Contractor's Revised Proposal

Figure A-5 (Cont.)

TAB 5

Pre-Negotiations Objectives

Figure A-5 (Cont.)

PRE-NEGOTIATIONS OBJECTIVES

SMALL CONSTRUCTION PROJECT INDEFINITE DELIVERY TYPE (SCPIDT)
BLACK HILLS AREA OFFICE
SOLICITATION NO. DACA45-99-R-0010
Delivery Order No. 0001
Replace Flooring, Oahe Powerhouse, SD
Dean Kurtz Construction Company
Rapid City, South Dakota 57709

Based on the Proposal Analysis, pre-negotiations objectives are as follows:

Schedule – Revise the duration from 270 calendar days to 210 calendar days.

Sheet 1

Supervision, Item 3 – The duration should be 30 weeks based on the revised schedule. Need to resolve the weekly rate issue and insure that a full-time superintendent will be provided.

P-G-O, Item 4 – Revise the duration to 30 weeks for a total cost of \$5,250.

Engineering-Testing, Item 6 – Verify that moisture vapor emissions testing is covered by the tile installation subcontractor.

Job Office, Item 8 – Revise to 7 mos. for a total cost of \$1,610.

Temporary Toilet, Item 9 – Delete this cost. The contractor can use the powerhouse facilities. Item 21 should cover the cost of cleaning.

Temporary Telephone, Item 12 – Revise to 7 mos. for a total cost of \$1,750.

Materials Protection, Item 17 – Verify that there is no cost for this item.

Final Cleaning, Item 21 – Accept the proposed amount of \$1,680 if the costs for item 9 are deleted.

Punch List, Item 22 – Verify that there is no cost for this item.

Figure A-5 (Cont.)

PRE-NEGOTIATIONS OBJECTIVES CONTINUED
Page 2 of 2

Sheet 2

Demo Tile/Mud Bed, Item 1 – Cut the unit price in half. Delete \$6,414 for equipment as a duplication.

Demo QT Base, Item 2 – Delete this item unless item 1 is cut in half. If item 1 is cut, then allow 50% on this item.

Demo QT Ledge at Generators, Item 3 – Again, delete this item unless item 1 is cut in half. If item 1 is cut, then allow 50% on this item. Cut the months on the lift in half.

Roughen Structural Slab, Item 4 – Reduce unit price for labor to \$0.50/sf. Verify that material is covered under equipment. Reach agreement on amount of credit if sandblasting is deleted after inspection of the concrete surface.

Disposal of Debris, Item 11 – Provide justification for unit prices.

New Quarry Tile Installation

Verify that the low bid, Ceramic Designs, includes all of Section 09310 except slab roughening, and that moisture vapor emissions testing is included in the bid.

Markups

Profit – The three factors degree of risk, relative difficulty and period of performance will be negotiated based on the GE.

LAWRENCE C. JACKSON, PE - CIVIL ENGINEER 19 July 1999

MARK MAILANDER, AREA ENGINEER 19 July 1999

TAB 6

Proposal Analysis

Figure A-5 (Cont.)

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PROPOSAL ANALYSIS
SMALL CONSTRUCTION PROJECT INDEFINITE DELIVERY TYPE (SCPIDT)
BLACK HILLS AREA OFFICE
SOLICITATION NO. DACA45-99-R-0010
Delivery Order No. 0001
Replace Flooring, Oahe Powerhouse, SD
Dean Kurtz Construction Co.
Rapid City, South Dakota 57709

On June 17, 1999, an RFP was issued for subject delivery order. The contractor and subs visited the site on July 6, 1999. A proposal was submitted via cover letter dated July 12, 1999. The proposal included a brief narrative regarding the required work, an organizational chart, a brief schedule, and a cost proposal. The amount of the original proposal was \$649,710. The schedule covered a period of 270 days, running from August 2, 1999 thru April 26, 2000.

An independent government estimate (GE) was prepared by CENWO-ED-C (Gary Norenberg) on June 18, 1999. The amount of the original GE was \$352,851. Unit prices in the GE come from the MCACES data base.

On July 15, 1999, the proposal was reviewed in detail by government negotiator Larry Jackson. Each proposed work item was checked against the RFP scope, the GE and in some cases Means Bldg. Construction Cost Data for reasonableness, omissions and/or duplications, math errors, takeoff quantity errors, and unit prices. The proposed overhead rate was checked against the basic contract proposal used during the selection process. Profit was analyzed based on the weighted guidelines calculations used in the GE. A comparison of the proposed costs vs. the GE by line item is shown on the attached spreadsheet.

A copy of the proposal was provided to the estimator for comment. Mr. Norenberg's comments dated July 13, 1999 will be incorporated into this analysis and pre-negotiations objectives.

Following is the negotiator's analysis based on the above review:

Schedule - 39 weeks needs to be justified. The RFP shows 270 calendar days after NTP. However, it would appear that this time can be shortened by starting tile replacement concurrent with demo operations after demo in the first one or two bays has been completed. This would bring the start of "Install New QT" back to the left by approx. two months, resulting in a 7-month project. Also, the scheduled work week, hours and days, need to be identified.

Sheet 1

1. Building Permit – NA.
2. Insurance – Included below.

PROPOSAL ANALYSIS CONTINUED

Page 2 of 6

3. Supervision – 39 weeks at \$400/wk for a total of \$15,600 is proposed. This item is covered in the GE under \$33,873 for overhead. Two questions arise. First, 39 weeks needs to be justified as stated above. Secondly, the supervision cost is shown as \$800/wk and \$400/wk, so it is not clear if there was a math error in the proposal. A full-time superintendent is required.
4. P-G-O – 39 weeks at \$175/wk for a total of \$6,825 is proposed. This item would also be included in the GE as part of the \$33,873 for overhead. Again, the 39-week period is questioned. The weekly rate is acceptable.
5. Engineering-Surveying – NA
6. Engineering-Testing – NA. Moisture vapor emissions testing is required under tile placement. Need to verify that this is covered somewhere in the proposal. Also, may need to test grout depending on whether it will be pre-mixed or not.
7. Batterboards – NA.
8. Job Office – 9 mos. at \$230/mo for a total of \$2,070 is proposed. This item would also be included in the GE as part of the \$33,873 for overhead. Again, the 39-week/9-month period is questioned. The monthly rate is acceptable.
9. Temporary Toilet – 9 mos. at \$100/mo for a total of \$900 is proposed. This item would also be included in the GE as part of the \$33,873 for overhead. Again, the 39-week/9-month period is questioned. The monthly rate is acceptable. However, there is an option of using the Powerhouse toilet according to John Bartel.
10. Temporary Water – By owner.
11. Temporary Electrical – By owner.
12. Temporary Telephone - 9 mos. at \$250/mo for a total of \$2,250 is proposed. This item would also be included in the GE as part of the \$33,873 for overhead. Again, the 39-week/9-month period is questioned. The monthly rate is acceptable.
13. Temporary Heat – NA.
14. Temporary Fence – NA.
15. Job Sign – NA.
16. Temporary Enclosures – Subcontracted. See below.
17. Materials Protection – The proposal is silent on this item.

Figure A-5 (Cont.)

PROPOSAL ANALYSIS CONTINUED
Page 3 of 6

18. Rubbish Removal & Clean – Included below.
19. Guardrails & Catwalks – NA.
20. Shop Drawings – In overhead.
21. Final Cleaning – A lump sum amount of \$1,680 is proposed. This is not identified in the GE, but is probably included as part of the \$33,873 for overhead. This price seems high and needs to be justified by the contractor.
22. Punch List – The proposal is silent on this item.
23. Travel Time (Paid 1 way) – 16 weeks is proposed at \$168/wk for four men for a total of \$2,688. This item was not included in the GE. Since the contractor is located in Rapid City, approx. 3 hrs. of travel one way will be required each week during the mobilization and demolition phases of the project. This figures out to be \$14/hr. which is considered reasonable.
24. Subsistence - 16 weeks is proposed at \$240/wk for four men for a total of \$3,840. This item was not included in the GE. Since the contractor is located in Rapid City, approx. 5 days of subsistence will be required each week during the mobilization and demolition phases of the project. This figures out to be \$12/day, which is considered very reasonable.
25. Lodging – 4 months is proposed at \$1,440/mo for two rooms for a total of \$5,760. This item was not included in the GE. Since the contractor is located in Rapid City, approx. 4 months of lodging will be required during the mobilization and demolition phases of the project. This figures out to be \$24/room/day, which is considered very reasonable.
26. Mob/Demob – A lump sum amount of \$1,000 labor and \$1,000 equipment is proposed. This item was not included in the GE, but is considered reasonable.
27. Superintendent Room – 5 months at \$720/month for a total of \$3,600 is proposed. This item was not included in the GE. Again, this figures out to be \$24/day, which is considered reasonable. However, the time period does not agree with that shown for items 3 and 4 above. Possibly items 3 and 4 can be shortened.
28. Supt. Subsistence - 23 weeks at \$60/week for a total of \$1,380 is proposed. This item was not included in the GE. Again, this figures out to be \$12/day, which is considered reasonable. The time period of 23 weeks is reasonable.
29. Supt. Travel - 23 weeks at \$60/week for a total of \$1,380 is proposed. This item was not included in the GE. This figures out to be \$20/hr, which is considered reasonable for a superintendent. The time period of 23 weeks is reasonable.

Figure A-5 (Cont.)

PROPOSAL ANALYSIS CONTINUED
Page 4 of 6

With some reductions to address the above issues, the contractor's proposal for field overhead is reasonable in comparison to the GE after considering the addition of travel, lodging and subsistence.

Sheet 2

1. Demolish Tile/Mud Bed – A total quantity of 17,817 sf is proposed. This does not include base or generator ledges, which are covered below. But, this quantity is considered reasonable in comparison to the GE quantity of 18,273 sf. The proposed unit price for labor is \$1.05 for a total of \$18,707.85. This is quite high. It should be about half this much. Especially considering that 35% is added for labor burdens. For equipment, the proposed unit price is \$0.36 for a total of \$6,414. The purpose of this charge is not apparent. Lift equipment and demolition tools are included below as a separate item. No backup has been provided by the contractor to substantiate his unit prices. It would seem that this may be a duplication. The GE prices are based on the MCACES database.

2. Demo QT Base - A total quantity of 2,710 lf is proposed. This quantity is considered reasonable. The proposed unit price for labor is \$2.00 for a total of \$5,420. This item was not included in the GE. Means does not list QT base demo as a separate item, but the contractor's price for item 1 should be adequate to cover this work. No equipment is proposed for this item. It is assumed that it is covered below. Again, the contractor has provided no backup to substantiate his unit prices.

3. Demo QT Ledge at Generators - A total quantity of 978 sf is proposed. This quantity is considered reasonable. The proposed unit price for labor is \$5.00 for a total of \$4,890. This item was not included in the GE. Means does not list this work as a separate item, but the contractor's price for item 1 should be adequate to cover this work. A lift is required for this work in order to access these ledges. The proposed price is \$575/month, which is reasonable. But the quantity of 5 months is questioned. It should not take 5 months to remove the tile from these ledges.

4. Roughen Structural Slab – This work involves sandblasting the concrete surface after the existing tile is removed in accordance with paragraph 3.4.1. of Section 09310. A total quantity of 18,795 sf is proposed. This quantity is considered reasonable. The proposed unit price for labor is \$0.76/sf for a total of \$14,284. This item was not included in the GE. Means shows about \$0.50/sf for labor. The proposal also includes \$0.31/sf for equipment for a total of \$5,826. No material is listed. Need to clarify if this is an omission. After demo is completed, the concrete surface will be inspected. If it is determined that sandblasting is not required, the delivery order will need to be credited accordingly.

Figure A-5 (Cont.)

PROPOSAL ANALYSIS CONTINUED
Page 5 of 6

5. Unbolt Stair Stringers – The contractor's price of \$350 is acceptable.
6. Re-Attach Stringers – The contractor's price of \$350 is acceptable.
7. Remove/Store Railings – The contractor's price of \$555 is acceptable.
8. Re-Set Railings – The contractor's price of \$1,241 is acceptable.
9. Remove QT Curbs – The contractor's price of \$925 is acceptable.
10. Dust Control/Monitoring – The contractor obtained two bids. Both are within the GE amount of \$81,705. The low bid of \$71,370 is acceptable.
11. Disposal of Debris – The contractor's price is \$5,170. His unit prices for labor and equipment are high in comparison with the GE. No backup is provided. The unit prices need to be justified.
12. Demolition Tools – The contractor's price of \$1,827 is acceptable.

The overall difference for sheet 2 is approx. \$40,000. Half of this is due to demo. The other half is the structural slab roughening cost that was omitted from the GE.

New Quarry Tile Installation

The contractor obtained two bids. The low bid was by Cermic Designs Midwest, Inc. of Rapid City, SD in the amount of \$311,427. This bid covers Section 09310 with the exception of the abrading process, which was included by the prime. The second bid was by The Tile Setters of Rapid City, SD in the amount of \$347,882. The contractor was asked to provide the names of all firms that he requested a quote from. He responded that Ken's Carpet and Decorating was contacted, but they decided the project was too large for them to handle. Also, some firms in Sioux Falls were contacted, but no one was interested due to all the construction activity in that area this year. Finally, a firm in Colorado Springs, CO expressed interest but has not yet been heard from.

The two bids received are considerably higher than the GE, which is approx. \$170K. Part of the reason for this is that both firms are from Rapid City. Therefore, the bids probably include travel, which is not included in the GE. Unfortunately, there is no one available locally in Pierre that is qualified to perform a job of this complexity. Also, there is currently much activity in construction in this area which has caused a large increase in market prices. Therefore, Ceramic Designs' bid in the amount of \$311,427 is recommended for acceptance unless a better bid is received from the Colorado Springs firm. It must be verified that moisture vapor emissions testing is included in this bid.

Figure A-5 (Cont.)

PROPOSAL ANALYSIS CONTINUED
Page 6 of 6

Markups

Sales Tax – 4% markup on the demolition tools has been included. This comes to \$73 and is acceptable.

Labor Burdens – 35% markup has been added on prime labor to cover payroll taxes. This comes to \$27,077. The contractor has provided a breakdown to support this figure.

Home Office – 9% markup has been added. This was verified by GENWO-CT (Kevin McElroy) as the rate included in the contractor's proposal under the basic contract, which was used during the selection process. Therefore, this rate is acceptable. The GE had 3%.

Profit – The proposal includes 9.35% markup for profit. A weighted guidelines calculation was included with the proposal to support this figure. The GE is based on 7.5%. The difference is due to the following:

Degree of Risk – Proposal uses the maximum weight factor of 0.12. GE is 0.08. The risk here is not considered to be great. The work is all indoors, so weather and subsurface conditions are not a factor. Most of the work is being subcontracted. There is very little equipment involved, so the potential for equipment damage is not a factor. And liquidated damages are very low at \$400/day. The only real risk factor is the difficulty of separating the existing tile bed from the structural slab.

Relative Difficulty – Again, the proposal uses the maximum weight factor of 0.12. GE is 0.08. This is not considered to be difficult work as far as the prime is concerned. The only work that is at all difficult is the ventilation and installation of the new tile. Both of these items are subcontracted.

Period of Performance – The contractor has proposed a factor of 0.07. The GE is 0.04. 0.05 or 0.06 would be acceptable.

The contractor and the government are in agreement on the other four factors affecting profit.

Bond/Ins. – The proposed markup is 1%. The GE is 1.68%. Therefore, 1% is acceptable.

Excise Tax – The 2% South Dakota excise tax markup has been included as required.

15 July 1999
LAWRENCE C. JACKSON, PE - CIVIL ENGINEER

Figure A-5 (Cont.)

TAB 7

Contractor's Original Proposal & Work Plan

Figure A-5 (Cont.)

TAB 8

Request For Proposal (RFP)

Figure A-5 (Cont.)

OM 415-1-9
APP A
1 Dec 2000

June 4, 2001

SUBJECT: Request for Proposal, SCPIDT Delivery Order No. 0001, Black Hills Area Office, Rapid City, South Dakota

Dean Kurtz Construction Co., Inc.
P.O. Box 1917
Rapid City, South Dakota 57709

Dear Sir:

Reference Solicitation No. DACA45-99-R-0010 issued March 2, 1999.

Delivery Order No. 0001 has been assigned under this solicitation for "Replace Flooring, Oahe Powerhouse, SD. The work is to be performed in accordance with the attached documents. Arrangements for additional copies can be made through this office.

You are requested to submit your proposal no later than 25 July 1999. A detailed breakdown of the total price is required. The original and one copy of the proposal should be signed and returned to the Corps of Engineers, Black Hills Area, 2100 South 7th Street, Suite L-17, Rapid City, South Dakota, 57701-2937. Negotiations, if necessary, will be scheduled following receipt of your proposal. When this delivery order is finalized it will be executed on a DD Form 1155.

Please address all questions regarding the attached documents to Larry Jackson at 605-341-3169. Arrangements for a site visit can also be made through this office.

Sincerely,

Mark Mailander
Area Engineer

CF: CEMRO-CD-BH-E
CEMRO-CD-QC (Stubbe)

Figure A-5 (Cont.)

A - 50

TAB 9

Original Government Estimate

Figure A-5 (Cont.)

A -51

TAB 10

Audit Analysis

FROM: CENWO-CD-BH

July 20, 1999

MEMORANDUM FOR: CENWO-CT (Witcofski-retired)

SUBJECT: Audit Analysis, Delivery Order No. 0001, Solicitation No. DACA45-99-R-0010, SCPIDT, Replace Flooring, Oahe Powerhouse, SD

1. Reference contractor's original proposal for subject delivery order dated July 12, 1999 in the amount of \$649,710.
2. The question has arisen as to whether field pricing support is required for this first Black Hills Area SCPIDT delivery order. Based on the following analysis, it is recommended that field-pricing support not be requested.
3. The proposal includes a total of \$528,756 in direct costs, plus markups of 9% overhead, 9.35% profit, 1% ins./bond, and 2% SD excise tax. Of the total proposed direct cost, \$382,797 or 72% is subcontract work for which the prime contractor obtained competitive bids and which would be unaffected by an audit.
4. For the work to be subcontracted, two bids were received for Section 02080, Dust Control. Both bids were under the government estimate. The low bid was \$71,370. Three bids were received for Section 09310, Ceramic Tile. These bids all exceeded the government estimate. Other firms were contacted but were not interested due to current workload. The low bid was \$311,427. So, the current market for tile setters is above normal. But an audit would be of no value in reducing these costs.
5. Most of the remaining 28% in direct costs is judgmental and will be subject to negotiations. The main item that is not judgmental is the labor burden markup of 35%. The proposal included a breakdown which was reviewed and found to be acceptable. Also, 35% is the rate the contractor submitted in his proposal for evaluation during the selection process. So, it would seem that this portion of the proposal has already been exposed to competition.
6. Regarding indirect costs, again the proposed overhead rate of 9% won out over the competition during the selection process. Profit will be negotiated based on weighted guidelines, per Section 00800 of the contract. So an audit would not affect profit. For bond and insurance, 1% is considered reasonable. An audit would result in very little if any reduction. The 2% excise tax is a state requirement. An audit is not required to verify this.
7. If you have any further questions, please contact Larry Jackson at 605-341-3169.

Lawrence C. Jackson, P.E.
Civil Engineer/Negotiator

Att.

Figure A-5 (Cont.)

APPENDIX B

DESIGN/ BUILD INDEFINITE DELIVERY / INDEFINITE QUANTITY (IDIQ) CONTRACT MANAGEMENT

Summary. This Appendix defines the process applicable to selected military, civil construction general, civil and military *operation and maintenance* (O&M), and minor *hazardous, toxic, and radioactive waste* (HTRW) projects to be issued via design-build *indefinite delivery / indefinite quantity* (IDIQ) contracts. Both “new” projects and “follow-on” projects may be executed using design-build IDIQ. As defined in TI 800-03, Technical Requirements for Design-Build (1 July 1998), the Design-Build process is divided into six phases. The phases are: Acquisition Planning, Pre-Design Activities, Request For Proposal , Issue RFP and Receive Proposals, Evaluation and Award, and Task Order Administration. A detailed explanation of these activities can be found in TI 800-03. This Appendix will highlight the unique aspects related to the IDIQ process as applied by the Omaha District for design-build projects and define the general roles and responsibilities of the product delivery team. Scope is added by a series of individual task orders, each of which is usually more than \$500,000 but less than \$5 million.

1. Product delivery team. The following positions may be members of the product delivery team depending on the scope and complexity of the project.

a. Project Manager. The designated *project manager* (PM) may be assigned to any office within the district, but will primarily be assigned from Planning Programs and Project Management Division (PPPMD), Construction Division (CD) or Operations Division (OP), depending on the scope and nature of the work and customer considerations. To facilitate customer responsiveness, an individual within the organization first dealing with customer on the request for services will perform initial PM activities. Subsequent PM responsibilities may be formally assigned to another organization based on management discretion. The PM will be the primary customer interface. The PM will be responsible for assembling and leading the *product delivery team* (PDT). The PM will be responsible for the entire project and manage project quality, project schedule and project cost. Customer funding activities will be coordinated by the PM. CD personnel will perform associated program analyst (PA) activities.

b. Design manager.

(1) Construction Division, Area Office. When designated by the PM and subject to the availability of resources, Construction Division Area Office will be the *design*

manager (DM) responsible for the design portion of the task order. The Area Office will be the central point for the scope of work development to be included in the *request for proposal* (RFP). The Area Office DM will manage criteria development. The Area Office will designate a DM responsible for the development of the government estimate. The Area Office DM will manage all design review activities. The Area Office may request assistance from Design Branch as situations dictate.

(2) Engineering Division, Design Branch. When designated by the PM, Engineering Division, Design Branch (ED-D) will be the DM responsible for the design portion of the task order. The DM will be the central point of contact for the scope of work development to be included in the task order RFP. The DM will manage all criteria development. The DM will also be responsible for developing the initial government estimate. The DM will manage all design review activities and provide on-going design support during construction

c. Acquisition manager.

(1) Contracting Division. When designated by the PM, normally on more traditional or larger design-build projects, Contracting Division will be the *acquisition manager* (AM) responsible for the acquisition management of the task order. The AM will be the central point of contact for requesting and receiving contractor proposals. The AM will also be the lead negotiator and be responsible for preparing the complete DD Form 1155 and supporting documents.

(2) Construction Division, Area Office. If designated by the PM and subject to the availability of resources, the Area Office will be the AM responsible for the acquisition management of the task order. The Area Office AM will issue the RFP. The AM will be the central point of contact for requesting and receiving contractor proposals. The AM will also be the lead negotiator and be responsible for preparing the complete DD Form 1155 and supporting documents. The Area Office AM will also perform parallel functions on all task order modifications, to include development and execution of the task order modification GSA Standard Form 30.

d. Contracting Officer. The Contracting Officer will reside in Contracting Division. The CO will assign the individual task order *Administrative Contracting Officer* (ACO) from the respective Construction Division Area Office responsible for task order design/construction management.

e. Contracting Officer Representative. The IDIQ CO may designate the Area Office Resident Engineer and/or Office Engineer and/or the Project Office Engineer as an

Authorized Representative of the Contracting Officer (COR) for assigned task orders. After task order award, the COR will be responsible for acceptance of work, communication with the contractor, and design/construction progress payments.

f. **Construction Quality Manager.** Construction Division, Area Office, Resident Engineer will be the *construction quality manager (CQM)* on all task orders for their respective areas. At the option of the Area Engineer, construction quality management support may be assigned to other offices (such as Operations Division for Civil O&M work at a project).

g. **Contract Administrator.** Construction Division, Contract Administration Branch will be the *contract administrator (CA)* responsible for the overall administration of the umbrella contract and its individual task orders. The CA will coordinate all modifications to the umbrella contract with the contract specialist and the CO. All contract and task order information will be coordinated through the CA. The CA will be responsible for monitoring and reporting all contract and task order activity to the project review committee (PRC) and the project review board (PRB).

h. **Contract Specialist.** The *contract specialist (CS)* will reside in Contracting Division. The CS is responsible for all procurement support activities for the umbrella IDIQ contract and provides support to the CO, to include automated systems and document formalization support. For task orders with an Area Office AM, the Contract Specialist is responsible for support activities requiring CO execution. The CS will review all final task order packages and coordinate official filing.

2. Planning for work

a. Requests for work.

(1) **Initial requests.** Either the *project manager (PM)* or *department/division manager (DM)* may initially receive requests for work from a customer. The contract and acquisition management team is composed of the PM, DM and the *contracting manager (CM)*. Unless the PEP process is required, they will jointly determine if design-build IDIQ is the preferred method of choice. Once the initial determination is made for design-build IDIQ, all projects will be assigned to the *contract administrator (CA)* in Construction Division, Contract Administration Branch for job set up and execution management.

(2) **Customer orders.** Orders with funding from military customers are normally transmitted on a *military interdepartmental purchase request (MIPR)* while orders from

other civil federal agencies are normally made on a *memorandum of agreement* (MOA). The *budget officer* (BO) receives MIPRs and MOAs with there associated funding and records them in the finance and accounting system. The program analyst (PA) technically accepts the order and performs related financial work management functions. The *finance and accounting officer* (FAO) certifies the order, and the BO then formally accepts it, thus funding the project.

b. Project execution plan. If required, PM/DM electronically initiates a *project execution plan* (PEP) outlining possible contract alternatives and recommended contracting method together with supporting rationale. In some cases, the PEP process may be omitted if the acquisition strategy is clear-cut. Defined PEP processes will be followed.

c. Task order selection plan. Individual task orders will be awarded as outlined by the IDIQ contract clauses. In most cases multiple IDIQ contracts will be available for use by the contract and acquisition management team. Task orders may be competed among all available contractors. Task orders may also be awarded to a specific contractor without further competition provided that certain selection criteria are met. The selection criteria are:

(1) An urgent need exists and seeking competition would result in an unacceptable delay.

(2) Only one contractor is capable at the level of quality required because the requirement is unique or highly specialized.

(3) A single selection is in the interest of the economy and efficiency as a logical follow-on to an order already completed.

(4) Minimum contract obligations are satisfied.

(5) Other approved criteria (must be within the above criteria).

The single selection justification and related backup will be documented in the *task order selection plan* (TOSP). A TOSP is only required for single selection task orders.

2. Pre-Design Activities

a. Funding. The PM will coordinate all funding. Day-to-day PA activities will be performed by Construction Division, Contract Administration Branch, Contract Management Section.

b. Pre-Award. All customers will provide up-front funds for pre-award activities. This effort is performed on a cost reimbursement basis (at-cost). The following items will be used as separate line items in the pre-award estimate with amounts based on initial estimates of actual costs for the work:

Construction Division (District)	\$ _____
Construction Division (Area/Resident)	\$ _____
Engineering Division	\$ _____
Project Management Division	\$ _____
Contracting Division	\$ _____

c. Award. The PM is responsible for obtaining all funds required for task order award. Once the task order price is known, the PM will prepare a Bid Data Sheet (See Figure B-1). The bid data sheet will be provided to the PA. The PA will prepare a pre-award *current working estimate* (CWE) based on the information provided in the Bid Data Sheet and the related estimates (See Figure B-2). Based on the pre-award CWE, the PM will request funds from the customer. Upon receipt, approval and acceptance of funds, the PA will prepare the award CWE, a contractual purchase request and commitment (PR&C) document, and an authorization to award memo. This information will be combined with the task order supporting documentation by the CA and forwarded to the CS will formalization of the award documents. The CO will award the task order and record the obligation approval in the finance and accounting system.

d. Post Award. The PM will be responsible for coordinating post award funding activities. The PA will maintain a CWE during design/construction activities. In conjunction with the Program Analyst and the AM, the PM will monitor funds status. The PA will prepare requests for additional funds. The PM will be responsible for all funds requests, and for amendments to any MOAs. The PM will keep the customer apprised of all funding requirements.

3. Request for Proposal

a. Format. An RFP for a design-build task order should state the submission requirements, project requirements, criteria and evaluation factors. The RFP should provide the framework and requirements necessary for offerors to submit proposals. The major parts of the RFP include:

Instructions to Proposers
Solicitation/Task Order (DD Form 1155)
Scope of Work
Bidding Schedule
Contract Clauses
Special Contract Requirements
Contract Forms
Proposal Submission Requirements
Evaluation Factors for Award
Design Criteria
Specification Criteria
Design After Award
Review Process
Construction
Wage Rates

b. Criteria. Many of the standard construction contract items such as contract clauses, special requirements and forms do not differ greatly from a conventional invitation for design-bid-build package. The major difference between conventional and design-build is the inclusion of criteria. Each task order must have a project criteria approach based upon what information is available, how much latitude is to be allowed to the offeror and how much control the government will exercise over the design and construction methods. Criteria can be performance or prescriptive as needed to meet the project requirements. In most cases there will be combination of the two. An advantage of the design-build process is that it allows the construction industry to propose a variety of design and technical solutions for a given project requirement. To maximize this advantage, the technical specifications and design criteria should allow for a wide range of designs, construction methods and materials while at the same time ensuring the quality levels required. Performance oriented technical specifications and design criteria should be used to the extent possible in ensuring a quality product, in compliance with essential technical requirements. Prescriptive requirements should be included when needed to ensure quality, comply with the minimum needs of the government, and when only one or several selective alternate solutions are appropriate.

c. Submission Requirements. The RFP should sufficiently detail all submission requirements. Proposals not meeting the requirements in the RFP, including RFP due dates, may be rejected.

d. Evaluation Requirements. The RFP shall sufficiently detail all evaluation requirements. The RFP shall explain how each proposal will be evaluated. Evaluation requirements may be omitted in single selection procurements.

4. Issue RFP and Receive Proposals.

a. Responsible office. As mentioned previously, the designated AM in the Area Office or Contracting Division will be responsible for issuing the RFP. The RFP will be forwarded to all prospective contractors. The AM will monitor receipt of all proposals.

b. All submitted proposals will be reviewed to assure that all RFP requirements have been met and that there are no major improprieties. The government estimate and contractor proposals will be kept confidential and information will only be given to Government employees with a need to know.

5. Evaluation and Award

a. Evaluation and discussions. The majority of task order awards will be based solely upon price. Price evaluation may be conducted at the Area Office or Contracting Division. If the proposals do not compare favorably with the Government Estimate, discussion may occur. Discussions are defined as any oral or written communication between the Government and the contractor(s) that result in revision to the proposal. Discussions may result in submission of best and final offers. The AM will chair discussions and all perspective contractors shall be included. The evaluation team will prepare a price negotiation memorandum (PNM) if single selection procedure is utilized.

b. Audit requirements. All task orders over \$500,000 will require audit. An determination of adequate cost and pricing data without a new audit (audit waiver) may be requested for task orders that were subject to competition or had recent audits performed and other cost and pricing data is adequate.

c. Task order selection plan. A task order selection plan (TOSP) will be prepared for all sole source selections. The Contracting Officer will approve the completed TOSP. A copy of TOSP will be included in the final task order package.

d. The Contracting Officer will have final approval authority for all task order selections. The Contracting Officer will award all task orders.

6. Task Order Administration

a. Authorities. ACO & COR Authority will be granted for each task order. Delegations will be based upon project location.

b. Modifications. The Area Office will be responsible acquisition management and award for all design and construction modifications within the ACO's delegated authority. Defined construction modification procedures will be followed. Modifications to the umbrella contract will be managed by the CA, coordinated with the CS, and executed by the CO. By definition, umbrella contract modifications will be no cost and administrative in nature.

c. Payments. The COR will be responsible for certification of design/construction progress payments. Defined payment processing procedures for construction will be followed.

d. Closeout.

(1) Umbrella contract and task order closeout. The COR is responsible for final task order payment. The CA is responsible for task order closeout. Defined closeout procedures for construction will be followed. The CS is responsible for closeout of umbrella contracts. The umbrella contract will not be closed until all task order CWEs are fiscally complete.

(2) Task Order Fiscal Closeout. The PA is responsible for fiscal closeout of the CWE and the associated financial work items.

(3) Transfer and acceptance of real property. When capital improvement items are involved, the PM is responsible for final preparation of the DD Form 1354, transfer and acceptance of military real property. The construction quality manager is responsible for the initial property turnover document provided to the user at time of construction completion. Real property documents are not required on expense account work involving reimbursable military construction (military O&M) or other civil funded work for other federal agencies.

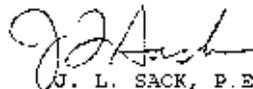
CEMRO-MD-M (415-10f)

Date: 9 May 1996

MEMORANDUM FOR CEMRO-CD-C

SUBJECT: Bid Opening Data Sheet (Award CWE)
Project Name: FY96 MCAF, Alter Dormitories
Location: F.E. Warren AFB, WY
PDC No. GHLN 961005
Invitation No.: DACA45-96-B-0039

1. Source of Construction Funds: MCAF
2. As-builts Required: Yes (X) No (). .4% of CWE.
3. Known problem in obtaining funds: Yes () No (X). If yes, explain (i.e., cost variation, SAF, etc.):
4. Existence of statutory limitations: Yes () No (X). If yes, explain (i.e., barracks cost per square foot, etc.):
5. Project is portion/phase of total project: Yes () No (X). If yes, explain:
6. Any unusual funding or contract requirements: Yes () No (X). If yes, explain (i.e., funds expire at end of FY, etc.):
7. Contingencies Required: Typical 2% Yes (X) No (). If no, specify ___%
8. Management Reserve: Typical 3% (if less than Programmed Amount) Yes (X) No (). If no, specify ___%.
9. Project Manager/Phone: Michael G. Armstrong/Ext. 3981
10. Enclosed is a copy of memorandum, CEMRO-ED-DR, 5 May 1996, subject: Bid Opening Data Sheet, Alter Dormitories, F.E. Warren AFB, WY
11. Remarks: Dick Guthmann, CEMRD-PM-M, validated on 9 May 1996 that Air Staff has propositioned construction funds in the amount of \$6,500,000 at USACZ for the subject project.



J. L. SACK, P.E.
Chief, Military/Civil Works Branch
Programs and Project Management Division

Encl

CF: (w/encl)
CEMRO-MD-M (C. Gordon)
CEMRO-CD-QC (R. Stubbe)
CEMRO-CD-BH
CEMRO-CT-F/S (P. Scornavacca, P. Cleaver/B. Clausen)
CEMRO-ED-DR (J. Skog)

Figure B-1

CME Spreadsheet Report
 RPC 52

Oct 30, 2000
 Contact: DAC98-99 D 0019, SCRIPT w/Martinez, Rocky Mountain Area
 Delivery Order No: 16, BK/Commuter Roadway and Drainage, Buckley ANG Base, CO

Job No.	1004NS	103NPS	1004NS	1004NS	103BSDL
Construction Workitem:	96-MCAP, Funded	FX97 MCAF	1004NS	100-MCAP	00 OMAP, OPC 4-7
Description					
EAD Workitem:					
Mgt Reserve Workitem:					
Parent Workitem:	004HS0 0662292	1004NS 0661177	1004NS 0665103	103BSDL 0666114	
Expiration Date / SAA	30-SEP-2000 M	30-SEP-2001 M	30-SEP-2004 M	30-SEP-2000 Y	
CWE Last Updated:	29-SEP-2000	18-SEP-2000	19-SEP-2000	27-SEP-2000	
Source Appropriation:	57 1996 3300.0000 57	1997 3300.0000 57	2000 3300.0000 57	2000 3400.0000 57	
Contract Totals	920,122.00	231,399.73	251,548.49		
Contract Award:	24,254.00	50,079.89	24,254.00		
Total Mds:	944,376.00	425,262.67	203,468.62		
Est Contract Amount:	51,176.00	50,879.89	1,098.11		
Contract Agency:	56,949.98	16,609.27	14,452.26		
SA Amount:					
50 Work Category EAD					
.00 Work Category with SAA					
3,457.39 Work Category without SAA					
1A120 CAB Labor (L65653)	479.82				
1A120 CT Labor (L65654)	307.20				
1A120 RMA Labor (L65556)	2,523.63				
2A400 Obligated to SAA	142.94				
1,055,956.97 Total CME:	452,956.23	308,000.00	268,000.75		
1,055,956.98 Authorization:	452,956.23	308,000.00	268,000.75		
00 Mgt Reserve:	.00	.00	.00		
00 Balance:	.00	.00	.00		
00 Amount Avail to Revoke:	.00	.00	.00		
00 Amount Avail Funds Rcvd:	452,956.23	308,000.00	268,000.75		
00 Addl Funds Required:	.00	.00	.00		
Project Keys:	CRWD	CRWC	CRWU		
SAA In Workitem/Formula:	Y 1004NS	Y 1004NS	Y 03B00L		
Project CME/PA Ratio	.1173853	.21197522			

Figure B-2