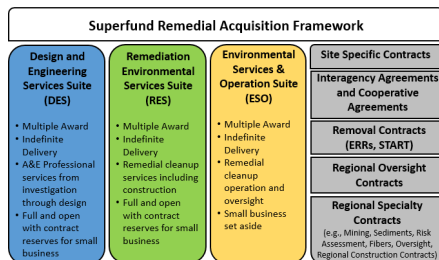


# Introduction to the Remedial Acquisition Framework

# Learning Objectives

- Increase awareness of pressures to change the Superfund remedial program's way of doing business
- Develop an understanding of the remedial program's new acquisition tools
- Develop an understanding of the new program management framework
- Understand roles and responsibilities under this framework
- Review and understand remedial process changes (i.e. RI/FS, RD/RA)

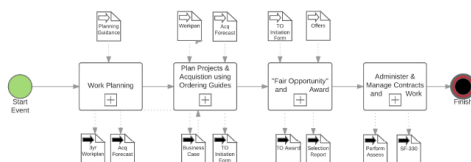
# Course Outline



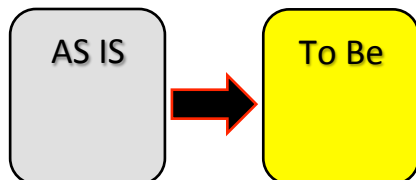
→ Introduction to the Remedial Acquisition Framework



→ Roles and Responsibilities



→ Superfund Program Management



→ Process Changes

# The rationale for change

# THE WHY!

- In 2009 the President instructed agencies, through the Office of Management and Budget (OMB), to improve the effectiveness and efficiency of the federal acquisition system.
- Priorities included:
  - Strengthening contract management and internal review practices
  - Maximizing the use of competition in contracting
  - Improving how contracts are structured
  - Building the skills of the acquisition workforce

# THE WHY! Cont'd

- OMB issued guidance following the executive orders on
  - Ensuring planning for acquisitions
  - Reducing high risk contracting
  - Improving the use of contractor performance information
  - Increasing competition and structuring contracts for best results

# Additionally...

- Decreasing Superfund budgets
- Government FTE reductions
- OIG findings:
  - Response Action Contracts (RAC): Structure and Administration Need Improvement (2004)
- Separating design and construction contracting responsibilities
- Expiring EPA RAC, ROC, and AES contracts
- Dissolution of High Risk Contracts
- Promoting performance based acquisition where applicable

# What does this mean to me?

- Work assignment contracts are not aligned with OMB directives.
- Increase competition to reduce cost
- More choices in the types of contracts and task orders we use
- Performance base acquisitions to foster innovation
- Must change our acquisition planning to account for increased time and effort associated with task order award



# Opportunity for questions

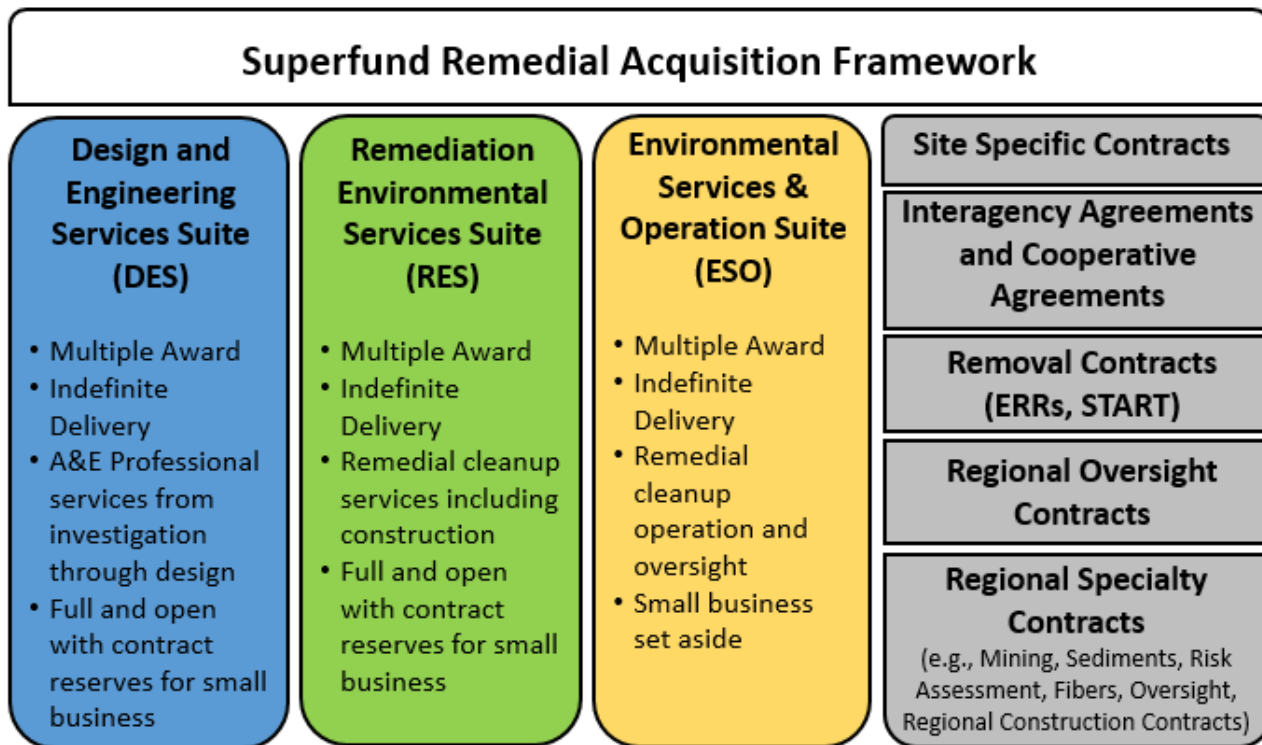
# Introduction to the Remedial Acquisition Framework

# What's Changing – Our RAF Suite of Contracts

Current Remedial Contracts	RAF
Full Service RAC contracts	Suites of EPA Contracts for different scopes (areas of expertise); splitting design and remedial action implementation
Single Award Contracts	Multiple Award Contracts
Work Assignment Contracts	Task Order Contracts
Competition limited to contract award	Increased Competition via Fair Opportunity for task orders
At least One Small Business per Region	Multiple Small Business awards for each suite (ESO is small business)
Regional	National
Contractor Performed Acquisition and Field Oversight Services for Remedial Action Projects	EPA Responsible for Acquisition and Field Oversight Services for Remedial Action Projects
Work is Principally Cost Reimbursable or Time and Materials Assignments/Orders	Multiple Options for Task Order Structure <ul style="list-style-type: none"> <li>- Firm Fixed Price/Fixed Unit Rate</li> <li>- Time and Materials</li> <li>- Cost Reimbursable</li> </ul>

# Remedial Acquisition Framework (RAF)

Identifies a suite of potential acquisition vehicles available to remedial program/RPMs to accomplish the remedial mission.



For RAF Suite of Contracts:

- Both the ESO and RES contracts provide for PBA where applicable.
- DES contracts do not provide for PBA because A&E services are governed by FAR PART 36.

# Design and Engineering Services (DES)

## **SCOPE:**

- Architect and Engineering Services with a focus on the execution of RI/FS and RD work
- May also be used to provide technically complex responsible party oversight

## **ACQUISITION APPROACH**

- Procured under Brooks Act and FAR Part 36.6 –qualifications based selection

## **STRUCTURE:**

- Multiple award contract with large and small business awards
- 10 yr contracts, 5 year base and 5 year option
- Most qualified firm identified for each project through DES fair opportunity process
- Once firm is identified, labor mix and associated costs are negotiated

# Remedial Environmental Services (RES)

## **SCOPE:**

- The focus of these contracts is remedial action implementation
- Scope includes full array of remedial services ranging from construction (e.g., landfill cap) to in-situ technologies (e.g., ISCO)

## **ACQUISITION APPROACH**

- Procured under FAR Part 15 –best value selection where technical is considered more important than cost

## **STRUCTURE:**

- Multiple award contract with large and small business awards
- 10 yr contracts, 5 year base and 5 year option
- RES fair opportunity includes technical and cost competition among firms

# Environmental Services and Operations (ESO)

## **SCOPE:**

- This focus of these contracts is for:
  - LTRA-type remedy operation activities (e.g., pump and treat operation, ISCO injections, etc); and
  - oversight of potentially responsible party activities (PRPs, Federal Agencies, States, Tribes).
- These contracts will also provide general technical assistance and support including RPM support in the field during remedial action implementation.

## **ACQUISITION APPROACH:**

- Procured under FAR Part 15 –best value selection where technical is considered more important than cost

## **STRUCTURE:**

- Multiple award contract set aside for small businesses
- 10 yr contracts, 5 year base and 5 year option
- ESO fair opportunity includes technical and cost competition among firms

# Summary of Available Services Under Each RAF Contract

Requirement	DES	RES	ESO
PA/SI			✓
EPA lead RI/FS	✓		✓ (limited)
EPA lead RD	✓	✓ (RA support)	✓ (limited)
EPA lead RA or NTRCA		✓	✓
RA and RV implementation support	✓ (limited)		✓
EPA lead LTRA		✓	✓
RA and RV implementation support	✓		✓
Oversight (PRP, state, tribe)	✓ (complex)		✓
FF oversight	✓ (rare)		✓

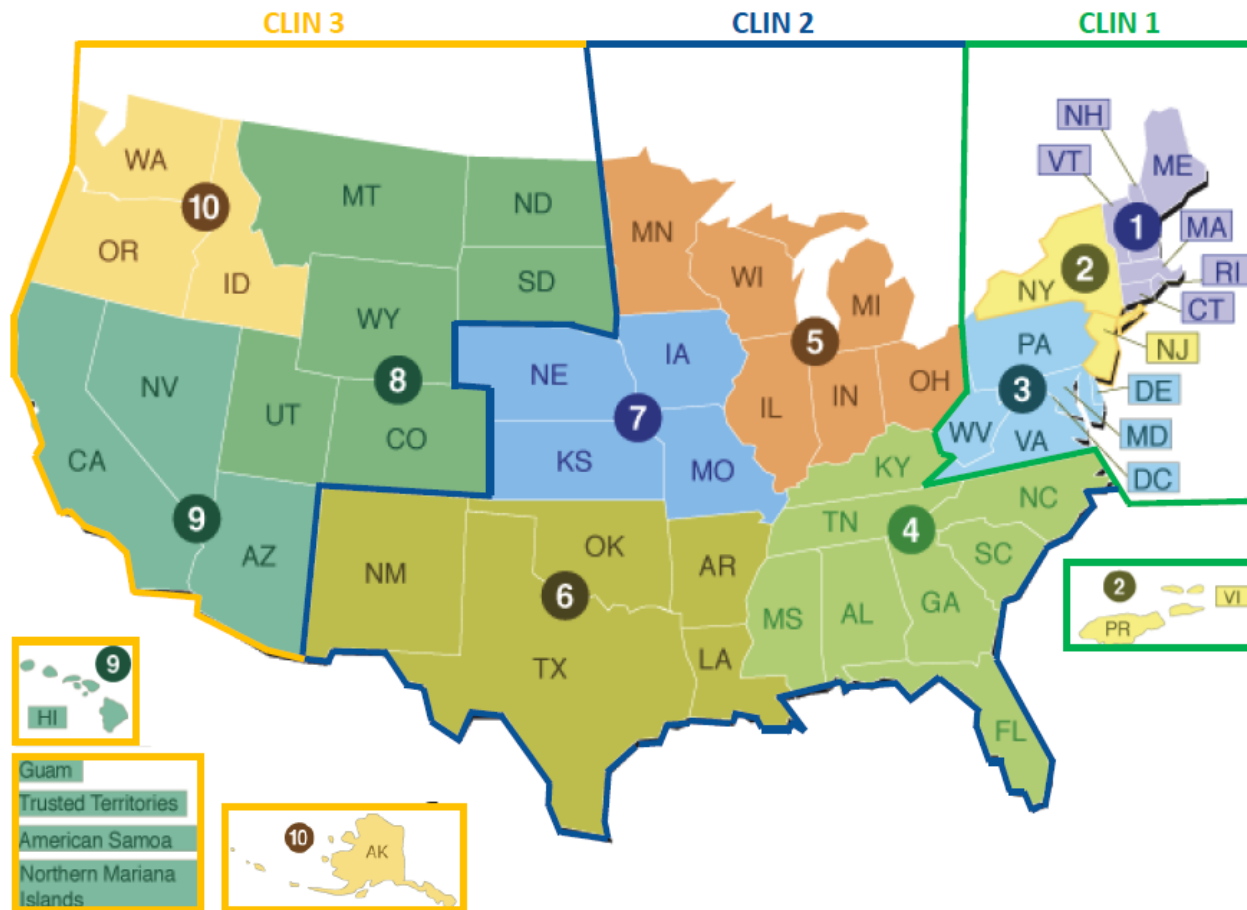


# RAF Contract Structure

## Contract Line Item Number (CLIN) concept

- Each suite is divided into three geographic zones CLINs 1 through 3.
- Each CLIN represents the work of regions within a CLIN (CLIN 1 = regions 1 – 3; CLIN 2 = regions 4 – 7; and CLIN 3 = regions 8-10)
- A contractor can compete for award under one or more CLINs or for all CLINs
- Each contractor will be awarded a single contract covering all qualified CLINs
- Each suite is ONE contract with multiple vendors (i.e., national DES contract)
- CLIN geographic footprint were defined based contractor's geographic capability to perform the entire contract statement of work

# DES, RES, ESO CLINs (Geographic) Structure



# Small and Large Business Considerations

- DES: Targeting approximately 7 awards per CLIN to a mix of qualified large and small businesses (targeting ~ 3 qualified small businesses)
- RES: Targeting approximately 7 awards per CLIN to a mix of qualified large and small businesses (targeting ~ 3 qualified small businesses)
- ESO: Targeting approximately 7 awards per CLIN to qualified small businesses

# What does this mean to me?

- More contract tools available to the RPM for remedial work
- Access to more qualified contractors under each contract (large and small businesses)
- Increased vendor base is anticipated to result in improved competition and reduced costs
- Different types of contracting approaches can be used to best manage project risk and promote contractor innovation

# Transition

- How it will happen
  - The Regions will develop and update existing transitions plans for ongoing and planned work based on rules of engagement outlined in the HQ/Region signed transition plan.
- The RAF team has:
  - Outlined Roles and Responsibilities under the National framework
  - Outlined task order planning and award procedures
- The RAF team is in the process of:
  - Preparing SOPs
  - Case Studies/templates
  - Developing Training

# When is this all happening?

- Award of the new contracts is currently planned for spring/summer 2018

# Opportunity for questions

# Roles and Responsibilities



# RAF Manual: Roles and Responsibilities

The following describes the roles and responsibilities of individuals involved in the RAF process.

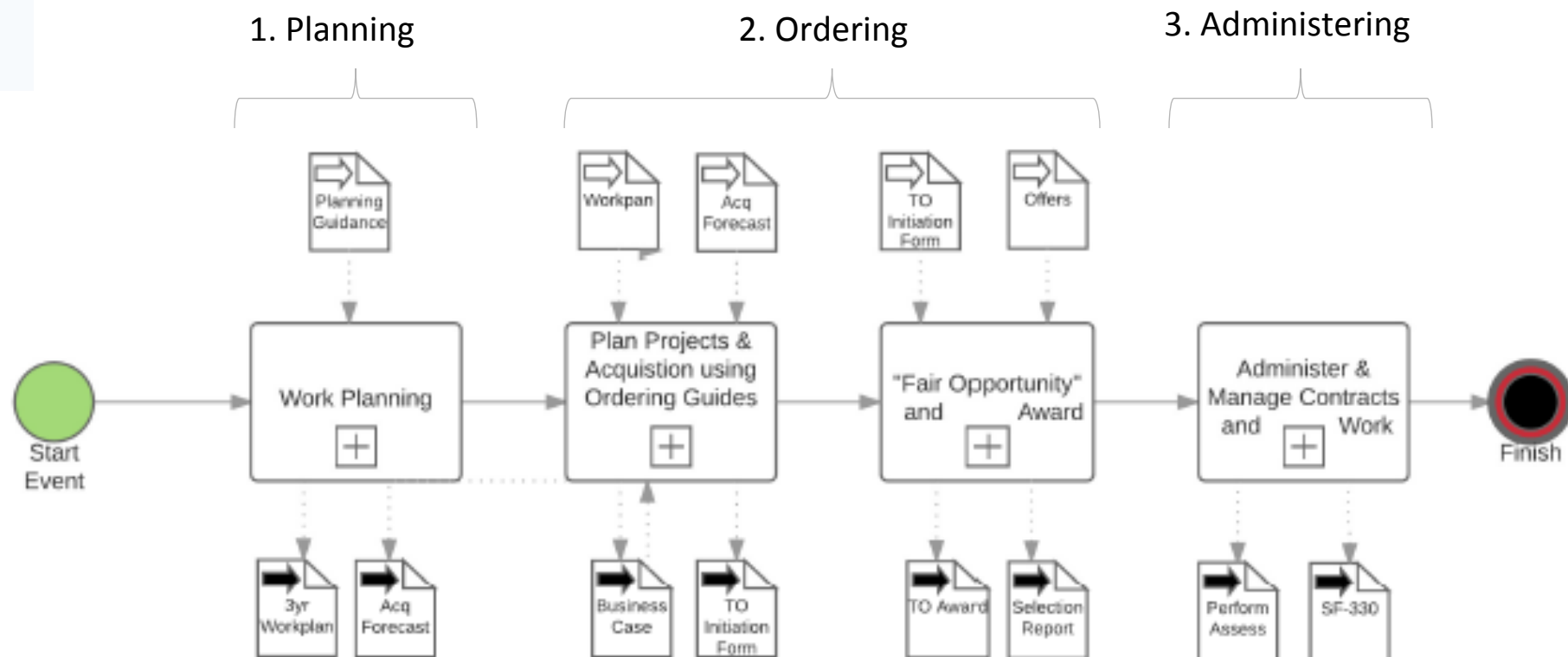
- Director, OSRTI: Develop guidance and training, nominate Contract Level CORs
- Director, OAM: Develop guidance and training, assign COs
- Regional Superfund DD: Ensure resource requests developed per guidance and RAF Acquisition Forecast is developed; determine priorities
- ARA/Regional SRO: Ensure development of RAF Acquisition Forecast, agency and regional small business goals are met and resources available
- **Regional Program Management Coordinator**: Prepare RAF Acquisition Forecast, manage development of business cases and supporting selection recommendations, assign regional roles and provide training and business advice
- Regional Acquisition Manager: Prepare RAF Acquisition Forecast, manage development of business cases and supporting selection recommendations; recommend, if appropriate alternative acquisition approaches

# RAF Manual: Roles and Responsibilities

- Contracting Officer, Contract Level
- Contracting Officer, Task Order Level
- Contracting Officer's Representative, Contract Level
- Contracting Officer's Representative, Task Order Level
- Task Order Ombudsman
- Note(s):
  - Roles and Responsibilities are not intended to instruct a region how to organize and is not an organizational structure
  - Project Officer does not exist within RAF construct - personnel currently performing PO roles will likely support Regional Program Management Coordinator
  - It is anticipated that the current "RACs PO's" will have a substantial role in this process. The Project Officer terminology has been fully replaced with Contracting Officer Representative in current EPA guidance and policies, that change is fully independent of this effort.

# Superfund Program Management

# RAF Program Management



# 1. Planning

# Work Planning

- Informs and supports budget formulation and justifications.
- Ensures special account funds are used to expedite site response work while identifying where appropriated funds may be needed
- Improve overall program performance
- Predicts and plans for future workload and needs

National Budget Request						
	Actuals (CDW)*	Actuals (CDW)*	Actuals (CDW)*	Planned Obligations (SEMS)**		
Fiscal Year	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19
Pipeline Operations	\$001M	\$002M	\$003M	\$001M	\$001M	\$002M
Remedial Action	\$002M	\$003M	\$004M	\$002M	\$002M	\$003M
<b>Total:</b>	<b>\$003M</b>	<b>\$005M</b>	<b>\$007M</b>	<b>\$003M</b>	<b>\$003M</b>	<b>\$005M</b>
President's Budget***				\$002M	\$002M	\$004M
<b>Unfunded Requirement</b>				<b>(\$622M)</b>	<b>(\$728M)</b>	<b>(\$675M)</b>

Data in table reflect appropriated resources and do not include Special Accounts or State Superfund Contracts  
 \*Data from Nowhere as of EOY 14th month report for the respective Fiscal Year  
 \*\*Data from SEMS as of 09/00/2016  
 \*\*\* Reflects FY17 Pipeline and RA portions of the President's Budget Request

**National Special Accounts Balance**  
(CDW as of 11/29/2016)

**\$0.3 Billion**

**National ULO Balance**  
(CDW as of 10/28/2016 through FY 16)

**\$70M**  
FY 15 = \$26M  
FY 16 = \$44M

**FY17 Unfunded Requirement: \$622M**

- Project X, \$xxM
- Project Y, \$xxM
- Project Z, \$xxM

# RAF Acquisition Forecast

- Planning to ensure appropriate schedule and resources are available to effectively execute project
- Ensures procurement approach considers project risk and budget (*specific to EPA contracts*)
- The forecast is aligned with resource availability and complexity of work
- Site schedules and cost estimates exist and are reasonable.
- Agency socio-economic goals are considered

[illegible]

# RAF Business Case

- Supports selection of acquisition tool for acquiring remedial services
- RAF Suite of Contracts are Primary mean of acquiring services;
- On occasion another tool/ vehicle may be more appropriate;
- A business case is required for all remedial acquisition needs
- Business case may cover one or multiple actions

Business Case for Assignment of Vehicle for Superfund Remedial Work Date:					
Site Name		Operable Unit			
Activity Type (e.g., RI/FS, RD or RA)					
Period of Performance		From:	To:		
Approximate Total Cost of Project					
FACTOR	Yes/ No/ NA	DISCUSSION	EPA RAF Contractor (DES, RES, ESO)	USACE	OTHER (specify)
1) Are there sufficient and skilled EPA resources (RPM, contract specialist, contracting officer, etc) and sufficient time available for those resources to manage and inspect a project under appropriate RAF contract suites?					
2) Is there significant or extensive Federal presence needed at the site (i.e., to support community concerns, provide contractor oversight, site security, congressional interest, etc.)?					
3) Are there Site characteristics or features (e.g., rivers, dams, etc.) or remedies (e.g., harbor dredging) that may benefit from expertise and experience available from the USACE, other federal agency or site specific contractor?					
4) Are there efficiencies, existing infrastructure, institutional knowledge or proximity considerations at the site? Can a cost efficiency be demonstrated for continuing to use the same contract vehicle?					
5) Does the work involve relocation of residents, real estate acquisition or other real estate concerns, including easements, takings? Support for other remaining aspects of work should be separately evaluated.					
6) Is there a conflict of interest that limits selections? If yes, then provide a brief history of issue and mitigation efforts.					
7) Does the size, scope and duration of the work impact the selection?					
8) Are there schedule considerations, e.g., limited field season, high profile project, EPA priority, funds obligation concerns?					
9) Other Factors (e.g., removal components of the project, proprietary technologies, unique situations.)					
Selection Decision (Summarize decision and main factors that lead to that decision. Attach additional pages if necessary.)					
Prepared by (include name and signature)			Date		
Reviewed by (include name and signature)			Date		
Approved by Branch Chief (include name and signature)			Date		



# Opportunity for questions

## 2. Ordering

# Initiating a Task Order Under RAF

- Task Order Initiation Form
  - Used for all Task Orders under the RAF suite of contracts
  - Serves as a checklist and as documentation
  - Outlines procurement approach and contract type
- Zero dollar/planning requisition or a funded requisition
- Milestone Plans
- Work statements
  - Statement of Objectives
  - Performance Work Statements
  - Statement of Work
- Quality Assurance Surveillance Plans
- Independent Government Estimates

# Task Order Types

## What is a Task order?

- A Task Order is a stand alone ordering agreement under the umbrella of a contract; a Mini Contract
- The objective is to use a task order type that will result in reasonable allocation of risk and best price to the government.

	Types of Task Orders		
	Fixed Price	Cost Reimbursement (CR)	Time and Material
DES	X	X	
ESO	X		X
RES	X	X	
Types of Fixed Price		Types of CR	Time and Material (T&M)
Firm-Fixed-Price (default)		Cost	<ul style="list-style-type: none"><li>• Requires a determination of findings (D&amp;F).</li><li>• May only be used when, at the time of placing contract:<ul style="list-style-type: none"><li>• it is not possible to estimate accurately the extent or duration of the work or</li><li>• to anticipate costs with any reasonable degree of confidence.</li></ul></li></ul>
Fixed-Price with Economic Price Adjust		Cost-Sharing	
Fixed-Price Incentive Contracts		Cost-Plus-Incentive-Fee	
Fixed-Price Incentive (Firm Target)		Cost-Plus-Award-Fee	
Fixed-Price Incentive (Successive Targets)		Cost-Plus-Fixed-Fee	
Fixed-Price Contracts with Prospective Price Redetermination		*Requires a determination of findings (D&F).	
Fixed-Price Contracts with Retroactive Price Redetermination			
Firm-Fixed Price, Level-of-Effort Term			

# Fair Opportunity

- Under the RAF multiple award contracts, all task orders over \$3,500 must undergo an Agency defined fair opportunity process
  - DES – qualification-based contractor selection
  - RES and ESO – best value (technical and cost) competition
- Competition of task orders will occur among the CLIN contractors
- Competition of task orders among another CLIN contractors (“Crossovers”) will be considered in “limited” circumstances
- Exceptions to fair opportunity (outlined in the FAR) are:
  - Urgency
  - Only one awardee is capable of providing the services
  - Sole-source based on economy and efficiency (logical follow-on)
  - Satisfying the minimum guarantee
  - Statute expressly authorizes or requires the purchase from a specific source

# RAF Task Orders (Fair Opportunity Continued)

## DES Fair Opportunity

- Steps are consistent with Federal Acquisition Regulations (FAR) Part 36.6 (A&E contracting) and meet the intent of FAR 16.505 (fair opportunity)
- NOT a **cost** competition
- Negotiations on technical approach and costs only with the top ranked firm (steps on the next slide)
- Contractors de-briefs (and potential for protests) for orders over \$10 million
- Total time for F.O. and task order award anticipated to take ~2 months

# RAF Task Orders (Fair Opportunity Continued)

## DES Fair Opportunity - Steps

1. Regions sets up an ad-hoc A/E board (AEEB)
2. Determine and justify competitive pool (i.e. CLIN selection and decision to set task order aside for small business)
3. Notify firms in CLIN (option to request additional technical information)
4. Conduct and document technical evaluation of available information
5. Hold discussions with top ranked firms
6. Complete AEEB report – ranking firms
7. CO requests technical and cost proposal for top ranked firm
8. CO negotiates and awards task order

# RAF Task Orders (Fair Opportunity Continued)

## RES and ESO Fair Opportunity

- Steps are consistent with Federal Acquisition Regulations (FAR) Part 16.505
  - Generally a best value selection
  - Contractors submit technical and cost proposals
  - Contractors de-briefs (and potential for protests) for orders over \$10 million
- Technical Evaluation Panel (TEP) members including contracting and program are responsible for:
  - Review and evaluation of technical approach
  - Note: Level of effort and documentation need will vary based on type of work and dollar value (i.e. RA implementation versus PRP RI/FS oversight)
- Total time for F.O. and task order award may take anywhere from 2 months to 6 months



# RAF Task Orders (Fair Opportunity Continued)

## RES and ESO Fair Opportunity - Steps

1. Regions sets up an ad-hoc technical evaluation panel (TEP).
2. Determine solicitation specifics in conjunction with the CO:
  - ✓ Type of task order
  - ✓ Type of procurement
  - ✓ Develop and weight technical evaluation factors
3. Determine and justify competitive pool (i.e. CLIN selection and decision to set task order aside for small business (RES-specific))
4. Notify firms in CLIN and request a technical/cost proposal
  - ✓ Pre-bid conference, if needed
  - ✓ Site walk, if deemed necessary
5. Conduct and document technical and price analysis (CO function)
6. Complete TEP report
7. Negotiate (if necessary) and award task order

## 2. Administering

# Administration/Management

Purpose: Provide appropriate surveillance and management to the project

- Project considerations:
    - Contract Management
    - Field surveillance
    - Managing project team
  - Program considerations
    - Measure process
    - Implement necessary changes
- \* *Discussion is specific to RAF contracts*

# Available Resources to Manage Work

## Regions

- Management
- RPMs
- Project Officers
- Other
  - OSCs
  - Technical Support

## Headquarters

- Technical Support
- Administrative Support
- Policy Support

## Extramural Resources

- Cost estimators and cost analysts
- Contractors
- Other Federal Agencies (e.g. USACE)

# Opportunity for questions

# Summary of Process Changes

# RI/FS Process Changes

## Old Process

- Region defines the project (SOW, IGCE)
- Region acquires contractor support
  - Region determines best acquisition tool to execute the project
  - Region selects contractor and negotiates level of effort
- Contractor is brought on board
- Region/Contractor conduct scoping meeting



## New Process

- Region defines the project (SOW, IGCE)
- Region acquires contractor support
  - Region determines best acquisition tool to execute the project
  - **Region implements fair opportunity process**
  - Region selects contractor and negotiates level of effort
- Contractor is brought on board
- Region/Contractor conduct scoping meeting

# RI/FS Execution Considerations

## Old Process

- On-site surveillance of significant field work
- Track and approve invoices
- RI/FS contract management
  - Write SOW and IGCE for mods
  - Assist CO in contract negotiations



## New Process

- On-site surveillance of significant field work
- Track and approve invoices
- RI/FS contract management
  - Write SOW and IGCE for mods
  - Assist CO in contract negotiations



# Major Change: RD/RA Project Delivery

## Old Process

- RD and RA activities are fragmented
- RD/RA Scoping – considerations on how ROD will be “broken up” (RA project definition)
- RD/RA Schedule
  - Planning in RD and RA focus around the timing of RA funds



## New Process

- **RD/RA planning components**
  - Design specificity
  - RA procurement approach
  - RA task order type
- Understanding/documenting project risk (e.g. Risk Register)
- RD/RA Delivery Strategy **MUST** be discussed, planned, and documented before RD work is initiated

# RD Process Changes

## Old Process

- Region defines the project (SOW, IGCE)
- Region acquires contractor support
  - Region determines best acquisition tool to execute the project
  - Region selects contractor and negotiates level of effort
- Contractor is brought on board



## New Process

- Region defines the project (SOW, IGCE)
  - Informed by RD/RA delivery strategy
- Design review support needs:
  - acquisition development support
  - Design review
  - biddibility/constructability review?
- Region acquires contractor support
  - Region determines best acquisition tool to execute the project
  - Region implements fair opportunity process
  - Region selects contractor and negotiates level of effort
- Contractor is brought on board
- Region/Contractor conduct scoping meeting
  - RD/RA planning discussion

# RD Execution Considerations

## Old Process

- On-site surveillance of significant field work
- Track and approve invoices
- RD contract management
  - Write SOW and IGCE for mods
  - Assist CO in contract negotiations
- Approve 100% design



## New Process

- On-site surveillance of significant field work
- Track and approve invoices
- RD contract management
  - Write SOW and IGCE for mods
  - Assist CO in contract negotiations
- **Coordinate and manage design review support**
- Approve 100% design

# RA Process Changes

## Old Process

- Region defines the RA management need (SOW, IGCE)
- Contractor defines the RA project (SOW, IGCE)
- Region acquires contractor support
  - Region determines best acquisition tool to execute the project
  - Region selects contractor and negotiates level of effort
- Contractor is brought on board
- Region/Contractor conduct scoping meeting
- RA contractor awards RA execution contract



## New Process

- Region defines the RA project (SOW, IGCE)
- Support needs:
  - Quality Assurance
  - Health and Safety
  - On-site surveillance and construction management support
- Region acquires contractor support
  - Region determines best acquisition tool to execute the project
  - Region implements fair opportunity process
- Contractor(s) brought on board

# RA Execution Considerations

## Old Process

- Limited on-site surveillance
- Track and approve invoices
- RA contract management
  - Write SOW and IGCE for mods
  - Assist CO in contract negotiations
- Approve RA report



## New Process

- Retain designer
- Mutual Understanding meeting
- Submittal register – review/approval
- On-site surveillance of field work
- Managing support services/RA execution team coordination
- Track and approve invoices
  - Level of effort considerations
- RA contract management
  - Construction considerations
  - Write SOW and IGCE for mods
  - Assist CO in contract negotiations
- Write/approve RA report

# What does this mean to me?

- Planning will be essential to ensure program resources are available
- Requirements, program objectives and expected outcomes must be clearly defined.
- Remedial project and acquisition staff must work as integrated teams.
- Processes such as work planning, budgeting, financial management, acquisition forecasting and project management will need to become more integrated.
- Roles and responsibilities will need to change.
- Formally documenting business case for acquisition tool

# Opportunity for questions