Western Federal Lands Highway Division

Procurement

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Western Federal Lands Highway Division (WFLHD)

- Who we are
- What we do
- Where we work
- How we procure A&E, Construction and Construction Inspection & Management contracts
US DOT
- Federal Highway Administration (FHWA)
-- Office of Federal Lands Highway
--- Western Federal Lands Highway Division (WFLHD)
Public Lands of the US
What we do...

- Provide engineering expertise to Federal Land Management Agencies
- Design, Contract, and Administer Road and Bridge projects on Federal Lands
  - 35 – 40 Projects per year
  - Approximately $120 million per year
Federal Agency Partners

Engineering America’s Scenic Highways
Procurement

- Must follow federal laws and regulations
  - Federal Acquisition Regulation (FAR)
Architect & Engineering (A/E) Procurements

- Special Rules for A/E contracting
  - Must base selection on qualifications, without regard to price.
  - Once select firm, then negotiate a price.
Architect & Engineering (A/E) Procurements

- WFLHD mostly uses Indefinite Delivery, Indefinite Quantity (IDIQ) contracts
  - We have lots different projects so do many task orders
  - Process is same for IDIQ award or single project award
A/E Procurements

- Steps to get A/E firm under contract
  - Develop Criteria
  - Ask for Qualifications
  - Compare submitted qualifications to criteria (don’t use other knowledge)
  - Rank in order of best qualified to least qualified
A/E Procurements

- Steps to get A/E firm under contract
  - Inform those that are not selected and debrief – limited what you tell them
    - What their score and rank was
    - Pluses and Minuses of their submission
    - Don’t tell the total numbers of offerors or details of other offerors submissions
A/E Procurements

- Steps to get A/E firm under contract
  - Tell top firms of their status and send out a request for proposal of their rates, overhead and profit
  - Review proposals and negotiate rates
  - Award contract(s)
A/E Procurements

- With IDIQ contracts you then issue Task Orders to get work done
- Three basic types
  - Firm Fixed Price
  - Labor Hour
  - Cost Plus Fixed Fee
A/E Procurements

- **Firm Fixed Price**
  - A defined Statement of Work
  - Negotiate a fixed price to do the work
  - Any changes to SOW require a modification and negotiation of the changed work
A/E Procurements

- **Firm Fixed Price**
  - What firms actual costs are don’t matter
  - Higher risk to contractor so higher profit
A/E Procurements

- **Labor Hour**
  - Specific work tasks, but unknown level of effort
  - Listing of labor types and maximum allowable hours
  - Firm does work and bills for every hour worked
A/E Procurements

- Labor Hour
  - No guarantee work will be accomplished
  - If firm runs out of hours, but is not done with the work, the government had to either add hours or accept the status of the project
  - Low risk for contractor, so profit should be lower
A/E Procurements

Cost Plus Fixed Fee
- More for research type things
- Have an idea of what you want the end product to be, but don’t know the way to get it
- Pay all costs of firm
A/E Procurements

◆ Cost Plus Fixed Fee
  – Negotiate a fixed fee (profit) to do the work
  – There is a not to exceed amount
  – The firm only bills their cost, but get paid the full fee
  – Not much incentive to get work done for lower cost
Questions on A/E Procurement?
Construction Procurement

- Types of procurement methods
  - Sealed Bid (HubZone Preference)
  - HubZone Set aside
  - 8(a) Sole Source & Competitive
  - MATOC IDIQ
  - SATOC IDIQ
Multiple Award Task Order Contract (MATOC)

- Contractors compete for a contract (can be best value or lowest price, technically acceptable)
  - Past Performance
  - Criteria on specific elements
  - Price
Multiple Award Task Order Contract (MATOC)

- Several contracts are awarded
- The maximum is shared among the contract holders
Multiple Award Task Order Contract (MATOC)

- Each contractor then competes for each project (task order)
- Usually the low bid wins the task order
- All contractors will get some $$ as they are guaranteed a minimum amount.
Why do MATOC contracts?

- If repeatedly doing best values and have a consistent program, do it once and have projects for 5 years.
- We can now get input on design process from our contract holders.
- If 8(a) can cut down on number of negotiations.
- Saves Government time.
Contractors are sent a Task Order Request for Proposal which looks like a regular project solicitation (Plans, Specifications, Physical data, Bid schedule, etc.) except the package …
MATOC Task Order Process

except the package …
- only has a few FAR clauses and provisions
- may contain other Evaluation criteria (such as experience in stone masonry)
MATOC Task Orders – How it works

Contractors submit their proposal
- Bid schedule
- Bid bonds
- Other required info

After award: Performance and payment bonds will have to be provided
MATOC Task Orders – How it works

- Award will be quicker as the responsibility check is greatly reduced
- Protest potential is greatly reduced
- HUBZone factor doesn’t apply to the task order awards
MATOC The rest of the story

All contractors get to bid on all task orders except
- when an emergency comes up
- we need to satisfy the minimum guarantee
- there is an issue of economy or efficiency
- if they fail to perform on a current or past task order
Single Award Task Order Contracts (SATOC)

- Initial Solicitation/Award is similar to MATOC, but only one contractor awarded a contract
  - This is a unique method, used in specialty areas (Glacier National Park Going to the Sun Road and the USFS 3030 work in AK)
Construction Inspection & Management Contracts

- Service contract that is with a firm to provide inspectors or construction managers to oversee the construction contractors work
Construction Inspection & Management Contracts

- Construction Inspectors provide inspection on the project
- They report to someone else for decisions and direction
Construction Inspection & Management Contracts

- Construction Managers provide oversight of the whole construction project
- They draft documents for approval by the government and do more interaction with the construction contractor
Construction Inspection & Management Contracts

- The government is still involved in the project – there are specific roles the consultant cannot fill.
- Can’t just have them do everything and report back when the construction is complete.
Questions on Construction Inspection & Management Contracts?
Any other questions?