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US ARMY CORPS OF ENGINEERS
PRE-PROPOSAL CONFERENCE
OCTOBER 24, 2002
819 TAYLOR STREET
FORT WORTH, TEXAS

REPORTED BY:
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A P P E A R A N C E S

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3 Denver Heath

4 La Vette Buford

5 Gene Hinkel

6 George Alcala

7 John Rogers

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1 P R O C E E D I N G S

2 MR. HEATH: I want to welcome you to the
3 Fort Worth District. I hope you found your way here. We
4 had a site visit at Port Isabel last week and it was a
5 challenge for some of the people that showed up there to
6 find the site, and it was a great meeting except for,
7 once we actually got out on the site, we were bombarded
8 with mesquites and I had about 40 of them on me. It was
9 amazing.

10 I want to introduce a few people before we
11 get started here. My name is Denver Heath. I work with
12 the INS-AE Resource Center, and I'll go into a little
13 more detail of what that is in a few minutes.

14 La Vette Buford is the contract specialist
15 for the Fort Worth District and she is handling this
16 acquisition for us. George Alcala is with the Corps of
17 Engineers in Galveston and he is the specific project
18 manager for the secured dorm project that we have as the
19 initial task order. And then we have Howard Kravitz
20 sitting next to George who is the AE for the secured
21 dorm.

22 Some background for you. I know that you
23 might be wondering where the Corps of Engineer fits in
24 with the INS. In 1996 the INS came to the Corps of
25 Engineers and also to GSA and they asked us to compete

1 against each other for their work. So it's very similar
2 to what takes place on the outside, but this is inside
3 the government.

4 So what we did was, we actually created our
5 own proposal just like you would for this solicitation
6 and we pitched the Corps of Engineer capabilities to the
7 INS. And one of the things that the INS was having
8 trouble with up to that point was they were having to
9 deal with each individual district individually, and it
10 caused problems as far as standards, points of contacts
11 and having to learn the same new things over and over
12 again with each district.

13 So the Corps of Engineers developed a
14 single office that's in this building, and that is the
15 INS-AE Resource Center, that's the office that I work in.
16 And we are the one door to the Corps for INS work that
17 they send to the Corps. They still send a lot of work to
18 GSA as well.

19 The Corps of Engineers is starting to
20 receive most of the new construction projects, however.
21 GSA works on a lot of the port of entries or GSA-owned
22 facilities. Our role in providing support to the INS is
23 programmatic out of my office.

24 We receive the project and we receive the
25 funding and then we look internally into the Corps of

1 Engineers, 41 plus districts, to see which district is
2 the most appropriate to execute the work. Then we assign
3 that district a project manager and we send the funding
4 to that district and they are totally responsible for the
5 execution of that project. And we stay involved from a
6 programmatic standpoint and oversee projects nationwide.

7 Project overview: The customer focus of
8 this particular INS MATOC, 90 percent of the dollars that
9 support the \$281 million capacity of this contract are
10 actual projects that are on the board for INS for
11 execution.

12 INS consists of several different
13 subagencies within it. One is border patrol and one is
14 detention and removal. What I've done here is provide
15 you a nationwide map. I know it's difficult to see.
16 There's probably about 1,000 facilities on this thing.

17 But, as you can see, INS has a lot of
18 facilities, and these facilities are inadequate and need
19 to either be replaced or renovated and that's where the
20 Corps of Engineers comes in and that's where we need your
21 help.

22 Less than 10 percent of this contract is
23 for civil works. Putting together this contract, again,
24 INS is requiring us to put together this contract.
25 However, we left a small amount for our civil works

1 section within the Fort Worth District so that they can
2 tag onto this contract and all that's addressed in the
3 solicitation.

4 INS is a primary customer. Since the 9-11
5 there's been a dramatic increase in attention for the INS
6 and towards our borders. Congress is opening up the
7 funding first, if you will, and starting to send money
8 down so that INS can shore up the borders.

9 Again, defining INS and the customer we
10 support, we support the border patrol and the detention
11 and removal. To give you an understanding of that,
12 border patrol captures undocumented aliens coming into
13 the United States. They have limited space to keep these
14 individuals in a cell.

15 So if they are criminal in nature or if
16 they are from a country other than Mexico where they
17 can't just take them back to the port of entry, they have
18 to process them and then send them back to the host
19 country.

20 Sometimes the host country does not take
21 them back. And so what INS has done is they have
22 developed or constructed small, medium security prisons,
23 if you will, that are totally self-sufficient. They have
24 their own administrative buildings, their health-care
25 centers and laundries, everything to go with that, and

1 those are spread throughout the country.

2 So the border patrol stations -- There's a
3 lot more border patrol stations, but the service
4 processing centers are much larger in a single location.
5 The facilities and infrastructure are inadequate for the
6 current and future mission.

7 Inadequate stations: To give you an
8 example, in Douglas, Arizona, there's a border patrol
9 station that was designed for an estimated 100 border
10 patrol agents. They currently have close to 600 agents
11 at that station. They're parking in the fields and
12 they're rotating in shifts, and it's still just too small
13 of a facility for them to actually keep all of their
14 equipment in the facility.

15 So that's what we're looking at. Another
16 example is on the northern border in Bonners Ferry,
17 Idaho. A lot fewer people. There's about, I believe,
18 five to ten people in that particular border patrol
19 station, but that border patrol station is in the
20 upstairs portion of the post office and has about two or
21 three rooms and they're about to double the size of the
22 facility as far as the number of agents coming there.

23 So because of the increased awareness of
24 our trying to defend our borders, all of this money is
25 starting to flow in this direction. They're getting

1 agents out there very quickly, but yet they don't have
2 the facilities and the infrastructure to support them.
3 So that's where we come in to try to get these contracts
4 in place and build as quickly and efficiently as
5 possible.

6 Same problem with the service processing
7 centers. Right now the service processing centers are
8 too small for the number of undocumented aliens coming
9 into the United States and, therefore, they're having to
10 rent bed space in the local county jails and the prisons.
11 This costs a lot of money taxpayer-wise and it justifies,
12 of course, building secured dorms as the one that we have
13 as part of this project so that they can house.

14 Again, it's just a need of making sure that
15 we have -- the INS has the adequate facilities to support
16 their mission. Also, part of this contract is on the
17 border. They have border roads. Well, the border roads
18 are washed out by monsoons. The border patrol agents
19 can't, line of site, go straight down by the border.
20 They're having to go several miles inland and then come
21 back in other locations to try to capture different
22 people coming across the border.

23 Part of this is to construct roads,
24 drainage, bridges and things of that nature. So
25 that's -- That is also a small part of this. The INS has

1 a huge backlog of construction as you can see right there
2 as far as the number of facilities.

3 Figures that have been thrown out are over
4 a billion dollars of back-load construction and it's much
5 higher than that. It really is. When you take into
6 consideration the port of entries, border patrol
7 stations, the sector headquarter's offices, the district
8 offices and all the different offices that are involved.

9 Now, up until this point we have primarily
10 supported the enforcement side of the INS. The service
11 side, we haven't done too much for yet and that's where
12 you would go to apply for citizenship. Although this
13 contract can be used for the service side, it's justified
14 in dollars on the enforcement side, pretty much.

15 Types of projects that will be issued under
16 this contracted mechanism: The projects range from small
17 repair and alteration projects, less than 500,000, up to
18 large border patrol and DNR actions ranging around 30
19 million. So it does have a wide range of projects that
20 can be executed against this contract.

21 What are we looking for in a contractor?
22 We need contractors that have the capability to manage
23 and execute multiple million dollar projects from Puerto
24 Rico to Guam. We intend to compete those contractors
25 against each other to ensure that we get the best value

1 for the customer and the taxpayer. So that gives you
2 kind of an idea of how the Corps of Engineers is
3 structured with the INS.

4 Again, the AERC, the office that I work in,
5 is programmatic in nature. We're fully funded by INS and
6 we consider ourselves INS employees even though we are
7 Corps of Engineer employees. We work very hard to
8 satisfy their requirements.

9 And as far as with the project overview,
10 what I'm going to do now is, I'm complete, and let
11 La Vette take over the actual -- talking about
12 solicitation.

13 MS. BUFORD: Good morning. I'm glad to see
14 you-all made it. I know we had a last-minute change in
15 the room locations and I advised both security gates of
16 that and also posted a sign outside of the door of the
17 original room. So I'm glad to see that we're in numbers
18 this morning and didn't have too much confusion.
19 Although, I've gotten several calls about going to the
20 district offices instead of coming here, but I'm glad
21 you're here.

22 A few administrative things I'd like to
23 take care of before I go into a brief review of the
24 solicitation. There was a sign-in chart -- sheet at the
25 back table. I hope you've taken an opportunity to sign

1 in. That sign-in chart along with the minutes from
2 today's conference, which is being recorded, will be
3 posted to our website. We normally do so via issuance of
4 an amendment. It's not an amendment against the
5 solicitation, and so the numbering of that document will
6 be way off.

7 For instance, the attendees from the site
8 visit last week is posted on the website and it's
9 identified as Amendment No. 99. Okay. So it could be
10 that the results of today's meeting will be posted as
11 Amendment No. 100.

12 Also, I'd like to acknowledge the presence
13 of contracting officer John Rogers. He's in the back.
14 Paul Smith, who's with SBA, and Gene Hinkel, our small
15 business representative there in the back of the room
16 also.

17 There was -- For my presentation there were
18 some handouts. Feel free to use those. If you, by
19 chance, have a copy of your solicitation, you're in a
20 greater position. Otherwise, you just annotate notes
21 because I will be sharing some information with you
22 that's not directly identified on the slide.

23 The first one is just a reminder that any
24 of the discussions that we have today regarding the
25 solicitation in no means modifies or amends that

1 solicitation unless we actually issue an amendment to the
2 solicitation. Okay.

3 The next slide. The intent of the
4 solicitation is to award a total of five contracts; three
5 unrestricted and two competitive 8(a)s. The area of
6 consideration including the coverage is nationwide, that
7 includes Alaska, Hawaii, Guam and Puerto Rico.

8 Now, understand that the synopsis which was
9 placed on our website along with FedBizOps excluded those
10 dates. With the issuance of the amendment, we added
11 those states in in a revised capacity. So it is truly a
12 nationwide procurement including Alaska, Hawaii, Guam and
13 Puerto Rico. I've gotten several calls saying "Does it
14 include those things?" It is nationwide. It does
15 include those states.

16 The third slide in Section 10, which is the
17 1442 of the solicitation. You've got, basically, a base
18 bid schedule which is inclusive of pricing for the base
19 year. It has, in addition to that pricing, identified
20 for option years one through four in the event that the
21 government exercises those options.

22 Because this is an IDIQ contract, it has a
23 minimum guarantee attached to it. The minimum guarantee
24 for the unrestricted contractors is \$334,000. That's per
25 contract that's awarded. The minimum guarantee for the

1 8(a) is 60,000.

2 The way we calculate that minimum guarantee
3 for the base period is we take two percent of the
4 estimated amount for that year and we extend that out.
5 Okay. We are anticipating the amount for the year on the
6 unrestricted contracts to be 16,700,000, 3,000,000 on the
7 8(a) program.

8 Now, keep in mind, although, for arithmetic
9 purposes we've identified those totals, the intent after
10 award is to compete up to the contract max; for the 8(a)
11 program is \$30,000,000; for the unrestricted it's
12 251,000,000. That supports the next bullet there where
13 totally for the unrestricted contracts based on strict
14 arithmetic procedures, you're looking at 83,700,000 per
15 year -- I'm sorry -- per contract. Okay. But that is
16 not a restriction because the intent is to compete up to
17 the contract max, which is 251.

18 So it is likely or possible that some
19 contractors will receive a greater portion of the 251
20 based on the competitive process, but we will not exceed
21 the 251,000,000 for the unrestricted contracts and the
22 30,000,000 for the 8(a) contracts.

23 Section 10 in the solicitation we also have
24 notes. I'm just going to highlight a few of those notes
25 because they are a little bit different than some prior

1 solicitations, particularly, the recent MATOC that were
2 awarded for SWD.

3 Labor on the 1442 that you're going to
4 bring forward is a burden labor rate. It's to include
5 allover head, profits, things of that nature. That note
6 tells you in detail what you're to include. So it's a
7 burden of labor rate.

8 In addition to that, for both Davis Bacon
9 and service contract rates, where the government
10 exercises an option, new wage rates will be applicable to
11 that contract. That's a new procedure. It became in
12 effect, I believe, December/January of this year, and all
13 new IDIQ contracts are required with the exercise of an
14 option to update those wages for both service contracts
15 and Davis Bacon.

16 The obligation of funds under base award
17 will be the amount equal to the minimum guarantee. That
18 amount again was 334,000 for the 8(a) -- I'm sorry -- for
19 the unrestricted contractors, 60,000 for the 8(a)s.

20 Subsequent obligation of funds will be
21 covered by individual task orders. Example, Task Order 1
22 total value \$1,000,000. That task order will be issued
23 for an amount less. It will be issued for \$1,000,000,
24 but because the minimum guarantee has already been
25 obligated, funding for the increase will be identified

1 under a separate accounting classification and then all
2 subsequent task orders will have a separate accounting
3 classification to support that work.

4 Now, in Bid Note No. 13 the government
5 exclusively reserves the right to exceed the estimated
6 max for the year. I've received several calls,
7 particularly from the 8(a) community, saying, "If your
8 estimate for the year is \$3,000,000, in our opinion, the
9 task order, the initial sole source task order you've
10 attached to the solicitation greatly exceeds that, then
11 why am I being asked to provide a proposal?"

12 That note advises you that the limitation
13 for any given period can be exceeded as long as the
14 maximum is not exceeded. Okay. So it is likely that the
15 initial task order given to whichever contractor might
16 exceed the estimated amount for the year.

17 Bonding: Bonding in that note, it reminds
18 you on the 1442, and I know an amendment is pending
19 particularly as it relates to the base year, because it
20 only identifies for the unrestricted contractors 334,000,
21 which supports the minimum guarantee. The subsequent
22 year supports a million. The amendment is going to
23 replace 1,000,000, and in this note we advise you that
24 bonding is going to be reimbursed on a per unit basis
25 based on the value of the task order.

1 Section 100 has a lot of the general
2 information we include to our offerers as far as
3 instructions are concerned. I'm just highlighting a few,
4 again, based on several calls I've received since the
5 issuance of the solicitation.

6 The first is the bid guarantee. The bid
7 guarantee is 20 percent of the total base price, which
8 includes pricing for the initial task order or
9 \$3,000,000. In that section on that page we direct you
10 to prior clause 52228-1, and the 20 percent of \$3,000,000
11 is directly out of the provision.

12 The small business plan right now, it has
13 identified the floors as relates to fiscal year '02. The
14 district has not updated goals as it relates to fiscal
15 year '03. If they do so prior to award, expect an
16 amendment to address whatever revised floors.

17 The principal contracting officer will be
18 here within the Fort Worth district. The solicitation
19 advises you after award the intent is to be able to issue
20 task orders either directly out of the Fort Worth
21 district or any corps office located throughout the
22 United States.

23 However, the principal contracting officer
24 will remain here in the district. The difference being
25 other contracting officers will not be allowed to modify

1 the base contract. They will be allowed to issue task
2 orders and modify task orders that they actually issue.

3 Okay. Performance of work by the
4 contractor. In that note we advise you that the
5 unrestricted contractors have 25 percent that has to be
6 performed with their own operations, forces; 8(a)
7 contractors have 15 percent.

8 CCR: That is a note prior to award. The
9 successful offerer is required to be registered in CCR.
10 If you have not done so, that process, typically, takes
11 up to 30 days. And with the response for this
12 solicitation currently reading 12 November, it would
13 behoove you to begin that process if you anticipate
14 award, not only in this contract, but any federal
15 contract because it is a requirement.

16 There is a checklist included in the
17 solicitation. It's Section 105, and you can use that
18 just to verify that you've included all requirement
19 documents with your proposal submission.

20 Section 120 is the proposal submission
21 requirements. It includes three volumes. I'm just going
22 to turn there since I've got notes. Volume 1 relates to
23 your technical and management proposal for the base
24 award. We have also included a Volume 1A. 1A relates
25 only to the initial sole source task order, which is what

1 we're terming it now. Expect an amendment. It will not
2 be a sole source task order. It will be a competitive
3 task order.

4 In Volume 2 is cost information, cost
5 proposal information. Again, just straight Volume 2
6 relates to the base contract; 2A relates to the initial
7 sole source task order. Volume 3 is a subcontracting
8 plan that's applicable to large businesses only.

9 We're in the process of reviewing the
10 proposal submission requirements. I anticipate an
11 amendment to adjust some changes based on recent
12 discussions with INS, and that amendment should be out
13 within the next couple of days.

14 Particularly, they are not interested in
15 issuing the initial sole source task order as a -- the
16 initial task order as a sole source procurement. They'd
17 like to consider that on a competitive basis. And as
18 such, some of the requirements that were identified for
19 that volume will go away.

20 An example of that would be identification
21 of your AE rate, separate costing pricing data, things of
22 that nature that we normally request when we have a sole
23 source environment, but because it's competitive, I will
24 no longer require or need that type information.

25 The format for your proposal is on page 12.

1 It requires three envelopes addressing each volume of the
2 solicitation. It has specific markings as it relates to
3 placing the solicitation number on the envelopes and any
4 disclosure information.

5 The proposal content is also in that
6 section beginning on page five. And we're basically
7 reminding you that because this is a best value
8 procurement, it's your responsibility to ensure that your
9 proposal is clear, concise and adequately reflects your
10 capabilities as it relates to the evaluation and
11 subsequent award. We will not infer what you intended to
12 mean or anything of that nature.

13 The proposal length for Volume 1, which
14 includes the initial task order, is 75 single space,
15 double-sided sheets. That's 75 pages double-sided. I've
16 gotten several questions saying, "Can I submit 75 pages?"
17 "Yes, you can." "Can I submit 35 pages?" "Yes, you
18 can." But the limitation will be 75 single-sided sheets.
19 It's eight and a half and the font is no smaller than ten
20 pitch.

21 It drives my evaluators crazy especially
22 considering age. They may not want to admit they don't
23 see things as well as they used to. Neither do I. So
24 ten pitch is the smallest you can get if you're trying to
25 crunch.

1 But keep in mind that throughout Section
2 120 we allow you to include as an appendix to your
3 proposal information, and all of the information in the
4 appendix does not count against your page restriction.
5 Okay.

6 So I covered both the format, the contents
7 and the length, and advise you that the -- We're going to
8 hold all questions until the end, but, please, write it
9 down -- and to remind you that the 75 pages includes the
10 initial task order. Okay.

11 The continuation on the next slide is
12 something I've already related to you, you know, the
13 volumes as is applicable to the solicitation. Again, we
14 are working on an amendment. It's going to change
15 Section 120. I do not anticipate any major changes as it
16 relates to Volume 1, which is just evaluation for the
17 base award. I anticipate changes as it relates to the
18 requirements on the technical proposal for the initial
19 task order.

20 Now, I do have one note that you might want
21 to write here because I did not, otherwise, see it in the
22 instructions where I normally place it, is that the final
23 proposal revision for those successful offerers will be
24 required to be in an electronic format.

25 The solicitation advises you to go with an

1 original and nine copies and it does not require you to
2 submit the electronic version of your proposal at this
3 time. But if you are successful with an award, be
4 advised that an electronic submission of your original
5 proposal along with any provisions will be due, I
6 believe, it's reading within five days of award, and that
7 is noted in Section 800, page 11.

8 The evaluation factors are in Section 150.
9 Again, it's a best value procurement, will be placed
10 technical consideration significantly above price. And
11 we advise in that section that if we are unable to award
12 two competitive 8(a) contracts, then the total contract
13 capacity, \$281,000,000, will be redistributed among the
14 successful unrestricted contractors.

15 Section 500 is just a section of forms. It
16 includes the like of the 24, 25A for performance of
17 payment bond. It also has forms for subcontracting
18 plans, tackle subcontracting plans, things of that
19 nature.

20 Section 600, expect a minor amendment
21 there. The only thing we'll be changing there is the NA.
22 It should read "ISC" code change beginning 1 October.
23 The code that's currently in the solicitation title-wise
24 is correct, but SBA issued a change to those codes that
25 were effective 1 October. I did not revise the narrative

1 description associated with that code, but it did
2 increase the business size standard by 500,000. So the
3 amendment will correct the code and correct the business
4 size standard, which is currently reading 28,000,000 to
5 reflect 28.5 million.

6 Section 700 are all of the contract
7 clauses. They are numerous. I won't even attempt to go
8 over all of them, but in your review, if you have any
9 questions regarding any one, feel free to either e-mail
10 me, fax me, mail it, get it to me and I will respond to
11 it.

12 Section 710 and 720 is numerous. It's
13 because it is a nationwide procurement. And so what
14 we've done is we've identified all wage rates, service,
15 contract rates and Davis Bacon rates that are applicable
16 based on what we know right now. It's not all inclusive
17 nor was it intended to be. There is a pending amendment,
18 wage is changed since issuance of the solicitation, and
19 in addition to that, we did not include Davis Bacon rates
20 as it was applicable to the task order. So this next
21 amendment coming out will include that information and it
22 will probably be voluminous again because of the original
23 size of those documents.

24 Okay. Section 800 is where we typically
25 place our special contract requirements. Because of the

1 uniqueness of this solicitation it differs from probably
2 any other you've seen including the recent MATOC. We
3 have ordering procedures identified in there. I've given
4 you the specific page number. I'm going to turn there to
5 make sure I don't have another external note to share
6 with you.

7 It reminds offerers that once these
8 contracts are awarded we will not compete the 8(a)
9 contractors against the unrestricted contractors. There
10 will be two separate pools of competition going on. So
11 once a requirement is identified, the project manager in
12 coordination with the contracting officer and the team
13 will decide whether or not that requirement is applicable
14 to the 8(a) community or applicable to the unrestricted
15 community.

16 Once that decision is made, then the
17 tasking or the request for proposal invitation for bids,
18 however we decide to issue that solicitation, will go to
19 that pool of contractors, but we will not compete the
20 8(a) contractors against the unrestricted contractors.

21 So that note on page 16 of Section 800
22 gives you information that we will consider for
23 evaluation of subsequent task, information such as
24 contract capacity, past performance, earlier quality of
25 the deliverable from prior tasking, things of that

1 nature.

2 Mobilization is on page 18. It gives you
3 two -- basically two separate schedules. It's ten days
4 from contract award as it relates to becoming familiar
5 with the specific requirements of the contract and/or
6 subsequent task order, and it gives you a 30-day
7 mobilization as it relates to an individual task order.

8 So the intent under this solicitation is
9 you've got a twofold evaluation going on. You have
10 evaluation as it relates to the basic contract and
11 evaluation as it relates to the initial task order with
12 the goal of being able to issue that task order within so
13 many days after award. And this is just a reminder that
14 upon issuance of that task order for mobilization
15 purposes you have 30 days.

16 The contract value is repeated throughout
17 the solicitation. I know I've said it several times
18 this morning. The only new thing I have not shared yet
19 is in -- in that section on page 28 there is a note
20 regarding redistribution or the potential to redistribute
21 capacity for unsuccessful contractors.

22 That environment would be award of a base
23 contract during which any period of performance the
24 contractor received an unsatisfactory performance
25 evaluation. With that and that contract being terminated

1 or not extended we will not give up that capacity. We'll
2 take that capacity and redistribute it.

3 So there's a note in the solicitation
4 advising you of that, which should also be an indirect
5 advisement that performance is a significant variable
6 throughout, not only for consideration of the award of
7 the contract, but during contract performance.

8 On page 34 we talk about the sporadic
9 workload. Denver's mentioned a number of potential
10 requirements that exist among INS that could be fulfilled
11 under this contract, and so we've placed language
12 regarding the sporadic nature potential under these
13 contracts and advise you that you could experience
14 periods of multiple awards so it's likely that you could
15 have several taskings going on at any given time.

16 It's possible that you could go through a
17 period where you get nothing, and our heaviest period is
18 typically the fourth quarter of every year; July, August
19 and September, and so we've advised you in the
20 solicitation of that. It's very sporadic. There's
21 nothing definite, but when it happens, it's going to
22 happen. It's just going to be sporadic. That's the
23 nature of the contract.

24 The contract basically has three types of
25 task orders that can be issued, so source task orders;

1 fixed price and unpriced. The information regarding the
2 procedures on how to issue any one of those three are in
3 those pages, that portion of the solicitation.

4 The unpriced task order should be the
5 exception, not the rule. So we do not anticipate a lot
6 of unpriced task orders, but in the event that we have,
7 you've got procedures in your contract that advises you
8 how we're going to take care of them.

9 Bonds: Again, that section just reminds
10 you that the forms are in Section 500. It's the standard
11 Form 2425. Now, keep in mind for submission purposes,
12 you're only required to give a bid guarantee. There is a
13 difference between a bid guarantee and a performance of
14 payment bond.

15 The bid guarantee, like I said earlier, is
16 20 percent of your total price for the base year plus the
17 initial sole source order or \$3,000,000. Bonding, the
18 schedule is going to support 1,000,000. I'd like to
19 receive 1,000,000, but because it is an IDIQ contract it
20 only allows me to request or require an amount equal to
21 the minimum guarantee.

22 What that does for me is create an
23 administrative nightmare, because for every task order in
24 excess of \$334,000, I'm going to be coming to you for
25 bonds and I would have to secure those bonds before we

1 can go forward. And so I'll advise you, if I'm still
2 negotiating this, upon award those successful offerers I
3 will probably be, you know, soliciting additional
4 bonding, although it's not a requirement. Okay.

5 It's not a requirement. I will probably
6 solicit it. You can say no way. Go wherever. I'm only
7 going to give you this, and that's your right. But keep
8 in mind, you know, that prior to commencement of any
9 work, you're going to be required to secure bonds and
10 provide those within -- I'll establish a blot with the
11 issuance of the task order for the additional bond and
12 securities, but if I've got it on file already, it just
13 makes it a little bit easier.

14 The last one is Section 900. Now, Section
15 900, it's a unique little section. It gives you some
16 information on how we define those professional levels
17 within the schedule. And we're going to amend that
18 section a little bit only as it relates to a project
19 scheduler, because I know if you've reviewed it, you've
20 seen that the project scheduler may be applicable and
21 nowhere in Section 900 do we say "Okay. Which level or
22 category is this project scheduler applicable to," so I
23 expect a little amendment on that.

24 Section 120 refers you to Section 900 a
25 lot, so I would recommend, I mean, not only reviewing the

1 full solicitation, but paying attention to that section
2 also as it relates to work plans and things of that
3 nature that is referenced in Section 120. We give all --
4 It's a definition section and we give all the definitions
5 there.

6 If it's not -- There are some sections in
7 900 that says specific information will be given with the
8 issuance of a task order, and the reason it's saying that
9 is because this is an IDIQ contract. The requirement is
10 not identified at this time. As the requirements are
11 identified and, you know, we've got specific information,
12 we will include that in request for proposal, very
13 similar to the initial task that you have out right now.

14 I've gotten a number of calls that, you
15 know, want to know why it's not design build. Well, the
16 contract has a potential for construction, design build.
17 It has a potential for several different types of
18 requirements. The initial tasking has no design in it.
19 It's 100 design, and with a 100 percent design
20 requirement I need no separate AE rates.

21 Okay. And the last slide just reminds you
22 as it currently reads the proposals are due at two
23 o'clock on November 12th. I know that's a date preceding
24 a federal holiday. Right now I do not have any
25 information to support that we'll be changing it, but if

1 so, it will be included in the next amendment which we're
2 working on and I expect to have out within the next few
3 days.

4 I am the contract specialist. There is my
5 number. I know several of you have it because I've
6 received about 30, 40 calls a day along with the e-mails
7 and Denver is the technical point of contact. I can only
8 share with you as far as POCs are concerned, I'm a
9 contract specialist. I'm not an engineer. I don't even
10 aspire to be an engineer. So those engineering questions
11 I can't assist you with. I can accept those calls and
12 those questions and I forward them out to my engineering
13 support staff and get responses, but some of the offerers
14 have been addiment about wanting an answer right there
15 and they're talking to a contract specialist and I cannot
16 provide it. Okay.

17 But on contracting issues, you know, let's
18 talk. I don't have a problem with it. Now, on the
19 agenda, I think it's time for a break. We're a little
20 bit ahead of schedule, which is good. We have placed --
21 Before we take this little break, we have placed some
22 index cards on the back table.

23 I'd like for you to write your questions
24 down on those index cards and then come back prepared to
25 present them to us. And the reason why I need them in

1 writing is because we've got a recorder for accuracy and
2 we will be sharing those written -- or comparing the
3 written question as submitted along with the record
4 that's being produced.

5 Prior to addressing those questions that
6 you'll write on those index cards this morning, I'm going
7 to share with you some of the questions that have already
8 come in regarding the solicitation, not the site visit.
9 Okay.

10 Questions regarding the site visit will be
11 included in an amendment and issued on the website.
12 Okay. So with that, feel free to grab index cards.
13 There are some pens back there, write your notes and
14 let's be back in 15 minutes, which will start us at 10:55
15 instead of 11 o'clock. One moment, please.

16 MR. HEATH: When you get finished with your
17 cards, you're going to bring them back and you're going
18 to hand them to us. What we're going to do is we're
19 going to take those cards and we're going to go huddle,
20 if you will, and come up with the answers to as many of
21 them as we can and then we will come back and we will
22 read the question and then we will give you the answer.

23 If we can't answer it today, we will
24 definitely get you answers in the near future. Okay.

25 (Break taken from 10:40 a.m. to 10:55 a.m.)

1 MS. BUFORD: We're about ready to begin.
2 The first question -- In the questions, I won't identify
3 the firm or whom the question is coming from. I'll just
4 give you the content.

5 The first question says, "Per FAR 52228-1
6 bid guarantee, page 700-80. The amount of the bid
7 guarantee shall be 20 percent of the base bid or
8 3,000,000, whichever is less. Could you please define
9 what you consider the base bid?

10 A) Is the minimum" -- "Is it the minimum
11 for the base period? Is the amount for the total base
12 year? Is it the amount of the total base year plus
13 Options 1 through 4? Is it the amount of the proposed
14 price for the sample task order, if any?"

15 Answer: The base bid price is the amount
16 you provide on the price proposal schedule for the base
17 year plus pricing for the initial task order. The bid
18 guarantee shall be 20 percent of your base bid which
19 includes pricing for the task order or \$3,000,000,
20 whichever is less.

21 For example: If your base bid plus pricing
22 for the task order is \$20,000,000, 20 percent of that
23 amount would be \$4,000,000 so the bid guarantee would be
24 3,000,000. If your base bid plus task order pricing is
25 14,900,000 or less, the bid guarantee would be 20 percent

1 of the base bid. Okay. So it's 20 percent of the base
2 bid. The base bid includes pricing for task order -- the
3 initial task order.

4 The second question: "We believe the
5 reference project near Port Isabel, Texas, is located in
6 Cameron County, Texas. Our cursory review of the waste
7 determination does not indicate a set or wage rate
8 applicable to Cameron County."

9 Response: You are correct. Expect an
10 amendment.

11 Next question: "What Davis Bacon rates
12 will be required for the 200-bed secured housing
13 facility?"

14 Response: Review of the solicitation
15 indicates that the appropriate wage rates for the initial
16 sole source task orders were not included. It will be
17 issued by an amendment to the solicitation.

18 Next question: "I am submitting the
19 following question for subject solicitation. The sample
20 project required to be submitted with the proposal is for
21 a 200-bed secured housing facility. It appears this
22 facility will exceed the total cost of the 8(a) dollar
23 portion of the estimate in the solicitation. If this is
24 so, why would 8(a) firms submitting proposals have to
25 submit the sample project?"

1 Response: Please keep in mind that in
2 accordance with Section 900 of the solicitation, the
3 intent after award is to compete task orders up to the
4 total contract capacity. The total contract capacity for
5 the 8(a) portion of the solicitation is \$30,000,000.

6 The maximum order limitation for the 8(a)
7 portion is \$10,000,000. It is anticipated that the
8 initial sole source, i.e., sample project task order
9 requirements will be within the 8(a) set aside portion.

10 Question: "We are reviewing the subject
11 MATOC solicitation and wondering if Hawaii is in the
12 geographical region that the project covers? If so, can
13 we submit a proposal on this project as a prime
14 contractor?"

15 Response: Yes. Hawaii is in the
16 geographical region of the solicitation and you are more
17 than welcome to submit a proposal.

18 We have one more question for your review.
19 "The self-performed requirement is stated as 25 percent,
20 as stated in the section titled 'Sporadic workload,' page
21 800-34. First, the project will be given weeks or months
22 at a time or no work will be given to the contractor at
23 all followed by yet another burst of work.

24 "With this type of contract it would be
25 difficult to self-perform this percentage of work.

1 Clause 52.236-1, page 700-111 indicates that the
2 self-performed requirement can be reduced by a
3 supplemental agreement. Would the government consider
4 decreasing the requirement to 15 percent or less?"

5 Response: The self-performed work for the
6 unrestricted and 8(a) contractors shall be 25 percent and
7 15 percent respectively and in accordance with FAR Clause
8 52.236-1 as prescribed by FAR 36-501, performance of work
9 by a contractor.

10 The special provisions in Section 800 of
11 the solicitation as it relates to sporadic workload does
12 not alleviate the contractor from performing the
13 percentage of work as prescribed by the prior clause and
14 applicable provision unless otherwise authorized by the
15 contracting offerer.

16 So, in essence, it's 25 percent for the
17 unrestricted contractors, 15 percent for the 8(a)
18 contracts unless we issue an amendment to the
19 solicitation revising those amounts or entertain it as a
20 point for any applicable task order during contract
21 performance.

22 Next question: "Section 4.0, proposal
23 length, page 120-5 states that Volume 1 of the offerer's
24 proposal shall not exceed 75 single space double-sided
25 sheets. If information is provided on both sides of the

1 sheet, would this mean we could provide 150 pages in
2 total? Each side of a sheet equals one page, right, or
3 does this mean each side of a page counts towards the 75
4 pages?"

5 Question No. 1; Answer No. 1: 75 single
6 space double-sided sheets refers to utilization of both
7 sides of a page. Therefore, each side of a page would
8 count towards the proposal length restriction.

9 Question No. 2: "Submission of final
10 technical proposal on page 120-13 states that Volume 1 of
11 the offerers final technical proposal and any revision
12 shall be submitted in electronic format to the
13 contracting officer within five calendar days. Does this
14 mean five calendar days after contract of award as
15 indicated on the page?"

16 Answer: Yes.

17 Question No. 3: "Section 52.228-1, bid
18 guarantee on page 700-80 indicates that the bid bond
19 should be 20 percent of the bid price or 3,000,000,
20 whichever is less. Is the bid bond amount to be \$66,800,
21 20 percent of the guaranteed minimum, or 20 percent of
22 the price of the sample project?"

23 Response: The bid guarantee shall be 20
24 percent of the total price for the base year and initial
25 task order or \$3,000,000, whichever is less.

1 This last question I'm going to have to
2 infer a lot to not reveal identity, but the gist of the
3 question regards concern from an 8(a) contractor on the
4 bid bond for that portion of the contract. There is
5 concern that the bid bond will unnecessarily restrict
6 their capacity, their bonding capacity, when there may
7 not be an actual project awarded.

8 And since we are anticipating -- I believe,
9 that we are here, refers to the Corps of Engineers, is
10 anticipating no more than 3,000,000 per year for an 8(a)
11 contractor. "Why is the bid bond requirements for such a
12 large project now?"

13 I have not technically responded to this.
14 SBA has advised that we would address it today -- and I'm
15 sorry, Paul. I didn't mean to refer to you as Paul
16 Smith. I know you're Stone -- but just looking at this
17 now, it appears to be confusion between a bid guarantee
18 and a performance of payment bond.

19 The amount for the bid guarantee is
20 established by FAR. That's guidelines. I have no
21 authority to revise that and it is 20 percent or
22 \$3,000,000. The capacity, I believe, we've addressed
23 that several times this morning as it relates to the 8(a)
24 contractors.

25 And keeping in mind that the 3,000,000 per

1 year is basically just reflected for arithmetic purposes;
2 30,000,000 divided by two, two contracts equal to
3 15,000,000 divided by five, you know, you get to the
4 3,000,000. That's just for arithmetic purposes, and that
5 in no way is meant to restrict the government from
6 awarding only \$3,000,000 in any given year.

7 The 8(a) portion of the solicitation is for
8 30,000,000 and so we intend to fulfill that portion of
9 the contract, and the contractor would be required to
10 secure bonding at 100 percent performance and payment for
11 any awarded task order.

12 So the question -- I would need to get back
13 in touch with this representative and verify whether or
14 not the concern is as it relates to the bid guarantee or
15 the bid bond, because the bond is not required in order
16 to respond to the solicitation.

17 The bid guarantee is required. The bond is
18 not. The bond is required within so many days after
19 award. So with those questions -- If those questions
20 answered any questions that you might still have on your
21 green cards, if you could tick them off and turn those
22 in. We'll review those real quickly and then come back
23 and address those.

24 Now, that won't be your only opportunity.
25 If in response to your question another question comes

1 up, we're going to entertain that question, but what I
2 would ask for you to do is identify your name -- you
3 know, provide your name, the firm you're representing and
4 try to speak as loud as possible so that the reporter can
5 capture that information, and then all of that will be
6 included in the notes that we'll post.

7 So if you could give us about five minutes,
8 we'll collect up these questions and then we'll come back
9 and address those questions.

10 (Break taken from 11:04 a.m. to 11:35 a.m.)

11 MS. BUFORD: The majority of the questions
12 are as they relate to the solicitation. I believe some
13 of those questions that I addressed when we started off
14 may have answered some of these, but I'm going to go
15 ahead and readdress those based on the questions that we
16 have.

17 Let's start off with Gene with those SBP
18 questions, small business plan questions, then I'll go
19 into your 8(a) questions.

20 MR. HINKEL: I've got one here that says
21 "100-2 shows SBA subcontracting plan floors as minimum
22 percentages accepted. However, as noted later in 120-13
23 says 'goals' and 120-10 says 'targets.'"

24 Floors are goals. They're targets. It's
25 not minimums. Those are minimums that we would like to

1 see, but they are not minimums that you have to live
2 with.

3 "Small business subcontracting plan.
4 Please confirm floor plan. Does the 61.4 percent small
5 business include the following goals or is the total 82.5
6 percent of the contract?"

7 61.4 percent is the total for small
8 business. That includes SDBs, woman-owned, HUB Zones,
9 Veteran-owned small businesses.

10 "In the" -- "If the contractor is to
11 self-perform 25 percent, is the total 107.5?"

12 The 25 percent that the contractor performs
13 is not included. They are not a subcontractor. They are
14 the prime. So their 25 percent is just not included.

15 "Section 100-2, it shows SBA" -- I just did
16 that, didn't I? I don't think we need to do that one
17 again.

18 "Do SBEs have to be certified by SBA
19 Pronet?"

20 No. The only ones that have to be
21 certified in Pronet are SDBs and HUB Zones, because those
22 are two SBA programs. We would prefer you to be in
23 there, yes, but you do not have to be. All the other
24 ones are self-certified, I should say.

25 Denver, I'm going to take the technical

1 questions which are AE first, before I get into the --
2 George?

3 MR. ALCALA: My questions are like Gene's.
4 They're easy to answer. So it's my privilege to take
5 these.

6 First question is: "Who pays for testing
7 lab services?"

8 The government reserves the right to hire
9 an independent lab. And through your QA, quality
10 control, quality assurance program, you are required to
11 do testing.

12 Second question is: "Electric, water, gas
13 available at no charge on site?"

14 Electric, you will be metered. Water, to
15 my knowledge, is not metered. There is a single meter at
16 the entrance of the facility. However, play it
17 conservatively. You do and INS will have the option to
18 do a separate meter just for your facility.

19 To my knowledge, the gas, there is a single
20 meter, but individual meters on buildings are the norm --
21 or will be the normal. So I would also encourage you to
22 look upon those as being separate metered for your
23 facility.

24 "Spec Section 111.90 SDEC subs prequalified
25 14 days prior to bid. Submit to whom?"

1 We will provide an answer to that
2 particular question at a later date through an amendment.

3 The next question is very similar to that
4 one. It refers to "Spec Section 13800 ESC subs
5 prequalified 21 days prior to bid. Submit to whom?"

6 And then I've got three additional
7 questions and those are La Vette's.

8 "Will there be another site visit?" Do
9 not -- I don't understand the question. Oh, "I may" --
10 or "May I visit the site on our own?"

11 We are entertaining having a follow-up
12 additional site visit and the date will be posted and it
13 will give you the opportunity to visit the site one more
14 time. As of to date there is no schedule for that
15 additional site visit. There was one previously, but
16 look for an amendment on that and the posting on that.

17 Next question says, "First task order is
18 designed. Will there be any AE services for this one
19 (i.e., construction, administration services)?"

20 That is our role and that's -- the Corps of
21 Engineers does have a resident office there on site.
22 There will not be a requirement for Title II services
23 during the construction phase. However, we will be
24 bartering with the design firm of record that provided
25 the design for consultative-type services.

1 question that George left off with. Basically, is
2 referring to the schedule as it relates to the initial
3 task order. Keeping it right now that solicitation
4 identifies it as the initial sole source task order.
5 Under sole source environment, there is no competition to
6 document the reasonableness of price. So the
7 solicitation and the proposal submission requirement
8 revise -- basically, requires you to give me pricing data
9 to support the prices that you're proposing.

10 Section 120 is clear. I mean, it's very
11 clear in what documentation is required. Now, saying
12 that, ignore it, because I advised earlier this morning
13 that we're going to issue an amendment to Section 120
14 where we're converting this task order from a sole source
15 environment to a competitive environment.

16 With that converse, it eliminates my need
17 to have documentation to support pricing based on a sole
18 source environment because competition is going to
19 address it.

20 Yes?

21 MR. MOORE: Sorry. That was not my
22 question.

23 MS. BUFORD: What's the question?

24 MR. MOORE: It doesn't answer the question
25 that I was asking.

1 MS. BUFORD: Okay. Well, repeat the
2 question then.

3 MR. MOORE: Well, my question was -- and
4 referring to Section 00220, that the construction
5 schedule shall be done in accordance with Section 1320.
6 And Section 1320 spells out that the schedule submitted
7 shall be cost and resource loaded.

8 THE REPORTER: What is your name, sir?

9 MR. MOORE: James Moore, C. F. Jordan.

10 MS. BUFORD: So your question relates to
11 the technical section as it relates to the schedule on
12 1320, not the bid schedule?

13 MR. MOORE: Right.

14 MS. BUFORD: Okay. 1320 will be revised
15 also. Right now -- This is an IDIQ contract where you
16 have a combination of taskings that can be issued against
17 it. Some of them are strict construction. Some of them
18 could be design build. And so the solicitation and the
19 resulting contract has collapsed all those requirements
20 together. Okay.

21 You have -- In Section 1320, if I recall
22 correctly, is for scheduling as it relates to a bar
23 chart. That's assuming you've got 100 percent
24 construction.

25 MR. MOORE: Right.

1 MS. BUFORD: And so 100 percent
2 construction went back to the task order, which was sole
3 source. Okay. So once we correct the sole source
4 requirements and eliminate that, then there's no need to
5 do that back-up documentation. So the amendment is going
6 to address both the corrections to 1320, which will take
7 care of your schedule question, and, also, 120 as it
8 relates to documentation required for the -- we're going
9 to call it -- Let's see what we're going to call it,
10 because we always change it -- the initial task order.
11 Okay.

12 MR. MOORE: Thank you.

13 MS. BUFORD: Start with the one with the
14 fewest questions.

15 "What would be the factors to not award the
16 8(a) contract?"

17 Right now we have an acquisition plan. It
18 has been approved by our park office, and it basically
19 gives us direction to award two competitive 8(a)
20 contracts. If we cannot award two competitive -- that
21 means that the 8(a) offerer is responsive, responsible
22 and has provided fair, reasonable pricing. If we cannot
23 meet that, then the program's amount for the 8(a) portion
24 of the solicitation will be redistributed to the
25 unrestricted contractors.

1 So where it says "What would be the factors
2 to not award?" There are no factors where we would not
3 consider award of an 8(a) contract. The environment in
4 which we could not award is that we do not have two
5 responsive, responsible offers from 8(a) offerers at
6 fair, reasonable pricing. If we don't have that, we
7 can't award to the 8(a).

8 The next question: "When the two 8(a)
9 contracts are awarded, a task order is to be in 8(a) set
10 aside. How will you determine which 8(a) contractor will
11 be awarded the task order?"

12 The award of the contracts to the 8(a)
13 contractors will not be a set aside. The 8(a) contracts
14 are going to be competitive 8(a) contracts, and so
15 competition will drive award of task orders to 8(a)
16 contractors.

17 MR. SEHRAMM: So they will bid against each
18 other, in other words?

19 MS. BUFORD: Exactly.

20 THE REPORTER: What is your name, sir?

21 MR. SEHRAMM: Fred Sehramm.

22 MS. BUFORD: "Can HUB Zone AA concern
23 submit as 8(a) and unrestricted?"

24 The answer is yes, but that's two separate
25 proposals. You cannot submitted one proposal and

1 identify it as an offer for an 8(a) and unrestricted.
2 1442, the very first page, gives you two options and the
3 reply to your proposal.

4 Either you're proposing under the
5 unrestricted pool or you're proposing under the 8(a)
6 pool. There was not a third option that says
7 "8(a)/unrestricted," which was included in the previous
8 MATOC. It's not in this MATOC.

9 "If cost and pricing is not necessary,
10 will price for project on hand be only one lump sum price
11 to options and amendments?"

12 I don't understand the question.

13 MR. TORRES: In other words, is this going
14 to be a like regular bid job now that you'll say the
15 price to include the main building, the utilities and any
16 option that you want to include, but it will be a lump
17 sum basically rather than any breakdown --

18 MS. BUFORD: I got it. She's going to need
19 your name for the record.

20 MR. TORRES: Jaime, J-a-i-m-e, Torres,
21 T-o-r-r-e-s.

22 MS. BUFORD: The bidding schedule, Section
23 10 of the solicitation, gives, I think it's like 14, 15
24 line items right now. The intent, once a task order
25 comes up, is to be able to utilize those line items in

1 the bidding schedule for award of a task order. So we
2 should be pricing according to that bid schedule.

3 A number of items on that bid schedule as
4 far as submission requirements is concerned is blank,
5 because it says "to be determined with the task order."
6 Okay. The only pricing you're providing right now is the
7 pricing for professional levels one through four, you
8 know, as it relates to equipment, materials and things of
9 that nature. You're just giving me your hourly rate,
10 lump sum rate or what have you.

11 Once your requirement is identified, then
12 we're going to utilize the line items on that bidding
13 schedule to activate a task. If a line item pops up
14 that's not in the schedule, we'll amend the contract and
15 add that line item assuming that that work fits under the
16 general description of the requirements that's supposed
17 to be fulfilled under the contract.

18 So for the 1442 and your base award, you've
19 got your base prices and your option prices. Your option
20 pricing, you're going to use some kind of escalation
21 factor to escalate it out. That establishes your base
22 award.

23 For the task order, it mimics that
24 schedule, and so you will utilize. You've taken your
25 hourly rate that you showed on your base and you're going

1 to tell me how many hours, and this one is strictly 100
2 percent construction. So you're going to tell me, you
3 know, using the materials and equipment or -- It's
4 materials and equipment line item that you will be using.

5 Bonding, unless we otherwise revise it, is
6 the schedule unclear? Is it a difficult schedule? It's
7 a difficult schedule. Any recommendation?

8 MR. TORRES: Just from a contracting
9 standpoint, I think this task order that's already on
10 hand should be just a lump sum bid, because we're going
11 to be hard-pressed to meet that deadline, getting the
12 technical proposal and then get a bunch of breakdowns, if
13 you will, like the cost and pricing data that you
14 originally included that now is not going to be included.

15 And so, you know, that's going to weed out
16 a lot of people from being able to meet the deadline if
17 you don't extend the solicitation. And so you need to
18 make it as easy as possible for all contractors, I mean,
19 large and small, because we're all under the small
20 problems because the subcontractor -- we're going to be
21 relying on subcontractors and material suppliers for that
22 area. There may not be any. And so you need to make our
23 lump sum price, you know, whether it be 8,000,000 or
24 10,000,000 or whatever for that building.

25 MS. BUFORD: I understand. But keeping in

1 mind, I have two software packages I have to communicate
2 with when we issue a task order. One is Cefms, which is
3 our financial software packet, and the other is PD. It's
4 our contracting software packet. Whenever I issue an
5 award, in order for my contracting software package to
6 communicate with my financial package, they have to all
7 line up.

8 Previously, the district was under no
9 requirement to separately identify all of the contract
10 plans line items when we award. We had an internal audit
11 that prevented us from doing so. Now, we are now
12 required especially as it relates to an IDIQ contract to
13 specifically say "What line items in the contract are you
14 using?" So with that in mind and an IDIQ contract with
15 this nature that could be anything and everything under
16 general construction, we develop a schedule that we think
17 best meets just the minimum needs.

18 I only need labor up front. And so the
19 other categories -- you know, you mentioned
20 subcontracting costs. Once you've collected that
21 information, there is a line item in the schedule where
22 you can just place subcontracting costs. There's a line
23 item where you can place materials and equipment.

24 So although it differs where you previously
25 said, "One lump sum, \$8,000,000," the only difference

1 here using the information you have to support that
2 \$8,000,000 is to tell me how much of it was
3 subcontracted, how much was materials and equipment, so
4 that when I go in to award that task order, contracting
5 software, finance software will communicate with each
6 other and I won't get another blow from my internal
7 auditor.

8 But if there's another recommendation on
9 this schedule, I'd be more than willing to entertain.

10 MR. TORRES: I guess what I'm saying, I
11 don't want to control the conversation here. But if --
12 At the time we submit a proposal, we may not know how
13 much labor we're going to do ourselves and how much we're
14 going to subcontract. It's just not feasible to know
15 that at the time, you know, of the deadline, because we
16 may find subcontractors after the fact or whatever. So
17 that's a moving target.

18 MS. BUFORD: Noted. Okay.

19 The next question: "Why are 8(a) concerns
20 being judged with same standard as unrestricted? Will
21 8(a) need county-wide experience and capacity?"

22 MR. TORRES: Countrywide. In other words,
23 will the 8(a) -- are you going to say, "How many jobs
24 have you done in Guam and how many jobs have you done in
25 Alaska and how many have you done in Hawaii?" "Do you

1 have the capacity technically, financially and all that
2 like the unrestricted contractors?" Obviously, that map
3 up there is countrywide.

4 MS. BUFORD: Exactly. And we have the
5 factors that we're going to consider for award in Section
6 120. The only difference between the two is capacity;
7 8(a)s will be considered for capacity up to the
8 30,000,000 as set aside for the 8(a) program and the
9 unrestricted contractors will be considered for the
10 251,000,000 that's set aside for that portion. That's
11 the only difference in the evaluation of the proposals
12 between the two different pools.

13 MR. TORRES: But in the technical portion
14 if you're considered responsive, you know, are you going
15 to say, "Well, this contractor has only done work in El
16 Paso, Texas. So he's never done multiple sites. He's
17 never gone to Detroit. He's never gone to Hawaii"? You
18 know, the technical proposal for the 8(a) is not going to
19 have the capacity that the unrestricted national
20 contractors are going to have.

21 MS. BUFORD: I will meet with you after the
22 conference and help you get through some of these issues,
23 and I think our discussions will resolve a lot of it for
24 you. But there will not be a separate evaluation factor
25 for the 8(a) contractors and the unrestricted

1 contractors. The only difference in evaluation will be
2 on capacity and what was intended; 30,000,000 for the
3 8(a) program and 251 for the unrestricted.

4 MR. TORRES: I would rather not have a sole
5 conversation, because I think this is on the mind of a
6 lot of 8(a)s and it's going to determine whether we
7 submit or not.

8 MS. BUFORD: Prior to the issuance --

9 MR. TORRES: We don't want to waste our
10 time if we don't stand a chance of making the cut. This
11 is a very voluminous proposal and very expensive to put
12 together.

13 MS. BUFORD: Prior to the issuance of the
14 solicitation, the district was required to do an
15 acquisition plan. So part of that acquisition plan, I
16 did extensive market research where I contacted several
17 8(a) contractors nationwide, including some in Alaska,
18 and solicited their input regarding this pending
19 solicitation.

20 And of those offerers I spoke with, I
21 received no information that would indicate noninterest
22 among the 8(a) community for this requirement. In
23 addition to that, we had extensive coordination with SBA,
24 you know, and based on that, that market research, the
25 coordination with SBA, contact with those 8(a) offerers,

1 I don't think that there's anything in the solicitation
2 that would prohibit an 8(a) contractor from responding
3 nor did I receive information that would lead me to
4 believe that the 8(a) community was not interested.

5 It may be an isolated observation, but
6 based on that market research I completed and the
7 coordination with the SBA representatives, I didn't
8 receive information that supports what you're presenting
9 today.

10 Next question: "If only one 8(a)
11 contractor is competitive, will that firm receive all
12 30,000,000 set aside for the 8(a) firm?"

13 No. In order to award to the 8(a)
14 contract, we have to have two competitive offers. No two
15 competitive offers in all those unrestricted. That does
16 not preclude an 8(a) from responding to the unrestricted
17 portion of the solicitation. And, again, that is coming
18 directly from our park office in Washington with prior
19 coordination with SBA and so forth.

20 "What is the purpose of an 8(a) and
21 unrestricted firm bidding on the same sample project
22 valued at 15,000,000 when it is implausible that an 8(a)
23 firm would be competitive?"

24 We haven't established the estimated cost
25 of construction for the sample task order.

1 MR. TORRES: That's not my question.

2 MS. BUFORD: I'm leading to your question.

3 Okay. But getting to that, the estimated cost of the
4 task order is five to 10,000,000, not 15,000,000, and
5 upon award we will not compete 8(a) offerers with the
6 unrestricted offerers.

7 So it's implausible that an 8(a) firm would
8 be competitive with the unrestricted contractors. It's
9 also illegal under these contracts because we're not
10 going to compete the two against each other.

11 "If only one 8(a) contractor meets the
12 technical requirement and has the best value to offer the
13 INS, will you redistribute the other 8(a) value to the
14 8(a) or unrestricted contractors only?"

15 I think we've addressed that already. The
16 answer is no.

17 "Do you have to award two 8(a) contracts?"

18 Yes.

19 I think that was all of the 8(a) questions.

20 MR. TORRES: Would you do a follow-up on
21 the one I asked? If you select two 8(a)s and then for
22 whatever reason you have to terminate one of them, what
23 happens to the other one that's left standing?

24 MS. BUFORD: We'll address that if it
25 happens. Right now it's a scenario that I have not

1 considered. So I don't have a response for that. So if
2 it happens, we'll address it then.

3 MR. TORRES: I guess, you know, that also
4 affects us whether we want to pursue this thing or not,
5 because, you know, by your definition, there's got to be
6 two. And if you start having these 8(a) jobs in Guam and
7 Alaska and Hawaii and we don't want to participate and we
8 get kicked off, then the guy left standing, is he kaput
9 also?

10 MS. BUFORD: I can't address it today.

11 MR. TORRES: Okay.

12 MS. BUFORD: Right now the only direction I
13 have is to award two 8(a) contracts. Absent the award of
14 two 8(a) contracts is strictly unrestricted. Strictly,
15 it goes to the unrestricted pool.

16 "Can amendments be separate instruments
17 rather than amending the whole solicitation every time,
18 then making contractors hunt for specific changes
19 throughout?"

20 No.

21 "What happens if one of two 8(a)s gets
22 terminated" -- which leads to your next question. I
23 can't answer that.

24 This question is in reference to the
25 bidding schedule. "If contractors site" -- and I don't

1 say the numbering was 99. At today's meeting would it be
2 100?"

3 We have not issued any amendments to the
4 solicitation. Amendment No. 99 is, to relate to you, the
5 sequencing is so far out of reach that it did not change
6 anything as it related to the solicitation.

7 Amendment No. 899 that's on our website is
8 a list of attendees who attended the site visit that was
9 scheduled last week. I anticipate the amendment from
10 this meeting to possibly be Amendment No. 100.

11 MR. READMON: So when we acknowledge
12 amendments on the 1442 form, we start with 99?

13 MS. BUFORD: You start with one.

14 MR. READMON: We don't have a one.

15 MS. BUFORD: Exactly. So right now you
16 don't have an amendment to the solicitation. The notes
17 from the site visit, the notes from today's conference,
18 have nothing to do with amending the solicitation.

19 The 1442 relates to amendments to the
20 solicitation, and we have not issued any amendments to
21 the solicitation. The only way for us to post it on our
22 website, we call it that file, amendment for posting
23 purposes, but it does not amend the solicitation.

24 MR. READMON: So when we acknowledge
25 amendments on the 1442 form, we will acknowledge

1 Amendment One when you produce it first?

2 MS. BUFORD: Yes.

3 MR. READMON: And we won't have to
4 acknowledge --

5 MS. BUFORD: You don't have to acknowledge
6 Amendment 99 and 100.

7 MR. HEATH: What she's saying is the web
8 listing that we put out there has a quirk in it and it
9 makes us name something an amendment if we're going to
10 make it show up underneath that project. So she has
11 numbered it so far out of reach that the reasonable
12 person would believe "Okay. Something's wrong," and you
13 would ask the question as you did. And the answer would
14 be "It's not an amendment to the solicitation."

15 THE REPORTER: What is your name, sir?

16 MR. READMON: Howell Readmon with C. F.
17 Jordan.

18 MS. BUFORD: "As an unrestricted offerer,
19 your award or selection to the IDIQ contract, are you
20 required to bid on all projects?"

21 And the answer is yes. There is specific
22 information in Section 800 and the only out as the
23 solicitation is currently reading is notice to the
24 contracting office within 48 hours of issuance of the
25 request, and it would be a contracting officer's decision

1 to require submission of a proposal or not, but in
2 discussing that with a contracting officer, that may be
3 amended because we can't require you to give us a
4 proposal, but we can, of course, you know, issue the
5 proposal. Your response to that would be up to you.

6 "How is a fourth unrestricted bidder
7 brought into the process? Your synopsis, other
8 information, about avoiding the need to resolicit on
9 competitive 8(a) task orders."

10 In the solicitation in Section 1350 the
11 evaluation factors for award, we identify the four issues
12 or the four avenues we would proceed if we were not able
13 to award to the 8(a) contractors. We give you four
14 different scenarios that we could potentially pursue,
15 and, again, that's in Section 120, evaluation factors for
16 award. I will go over those.

17 Beginning on the first page there. To
18 preclude the need to resolicit, if two contracts cannot
19 be awarded to 8(a) competitive contractors, the total
20 contract capacity of 281,000,000 to include 30,000,000
21 originally targeted for 8(a) competitive contractors will
22 be distributed by one or a combination of two methods to
23 successful awardees.

24 One, equally distribute the total contract
25 capacity among the successful unrestricted contractors

1 and/or make an additional competitive award to a fourth
2 unrestricted contractor. I think the four issues I was
3 thinking of was sole sourcing.

4 "Where is the payment time frame defined?
5 Is it 30 days for receipt of billing?"

6 Payment is covered in Section 700, contract
7 clauses, I believe, is 52.232-5. On construction
8 contracts it's net 14.

9 "75 sheet limit on Volume 1 only?"

10 Yes.

11 "Is pure design still part of the
12 contract?"

13 No. The design under these contracts has
14 to be connected to construction, otherwise, it's a
15 violation of the Brooks Act. So there is no task order
16 that will be issued that's strictly designed, not
17 associated with construction.

18 "Page 120-5, you have identified Volume 1,
19 technical proposal and Volume 1, subfactor experience,
20 et cetera. Then on page 120-9, paragraph 5.2, management
21 factor is also called Volume 1, Subfactor 1."

22 It will be Subfactor 2 in the amendment
23 that's coming out.

24 "How are the AE firms going to fit into
25 their MATOC" -- "into this MATOC process and when?"

1 AE firms, identification for the MATOC
2 contract begins on Section 120, page seven. As a part of
3 the prime contractors' offer, they're required to
4 identify their proposed AE firms, and we give specific
5 information that's to be included in the proposal in that
6 section beginning on page seven.

7 "Will AE firms get to pick their
8 contractors to team with?"

9 It's flip-flopped. General contractors
10 typically pick their AE contractors to team with.

11 "Section 150, redistribution of contract
12 capacity." We just discussed that.

13 MR. TORRES: Do you have any idea what
14 percent of the 281,000,000 will be design build?

15 MS. BUFORD: I have none.

16 MR. TORRES: I mean, any ballpark of any
17 kind, because I think --

18 THE REPORTER: I think that was what? I'm
19 sorry.

20 MR. TORRES: That would affect the AE firms
21 wanting to participate or not.

22 MS. BUFORD: I don't have that information
23 at all.

24 MR. HEATH: The response that I would give
25 is: The federal government's tendency is to -- they're

1 moving towards design build. They want to put the entire
2 responsibility on general contractors. So INS is also
3 moving that way. I don't have any percentages, but a
4 significant portion of their projects are going to go
5 design build.

6 MR. TORRES: I think you're sending the
7 wrong message with your sample project being already
8 designed. I mean, I'm not an AE firm, but I'm asking for
9 them because I think they have that interest.

10 MS. BUFORD: Well, the sample project is
11 just representative of the type of work that could be
12 awarded under the contract. We could have gone with a
13 design build task order and that would have also been
14 representative of the type of work that's anticipated
15 under the contract.

16 So rather it's a design build where
17 preliminary design is complete up to 15 percent or 100
18 percent construction, it's still representative of the
19 type of work we're anticipating under the contract.

20 And this is another question: "A
21 clarification under 75 page count." I think we've
22 addressed that one. We're down to a few more.

23 "When do you anticipate making the first
24 award?"

25 I believe the proposal acceptance period is

1 120 calendar days after receipt. So I anticipate making
2 an award within the proposal acceptance period.

3 "Will you award contracts even if you do
4 not have the minimum funding level for each contract?"

5 No.

6 MR. HEATH: We already have the minimum
7 funding in hand. So we're going to award the contracts.

8 MS. BUFORD: "If bifold 11 by 17 pages are
9 necessary, how do they count towards the page limit?"

10 Typically, 11 by 17 relates to drawings,
11 and there are no drawings as a part of the submission for
12 this. I will review Section 120 and make sure we have no
13 reference to 11 by 17 drawings in the proposal submission
14 requirement.

15 MR. HEMMER: Some graphics or tables are
16 easiest laid out on 11 by 17 than they are on a regular
17 page. It would actually be for the reviewer's sake that
18 sometimes makes that 11 by 17 for a table.

19 MS. BUFORD: I think right now it's showing
20 eight and a half by 11 for all documents in lieu of
21 these.

22 MR. HEMMER: Reduce until -- It reads that
23 we can reduce it until legibility is lost.

24 MS. BUFORD: Well, yeah.

25 MR. MOORE: If we have to use a larger size

1 of paper -- It's a very valid question.

2 MS. BUFORD: Well, right now you're
3 restricted to the eight and a half by 11.

4 MR. MOORE: If you can't read an eight and
5 a half by 11, what do we do?

6 MR. HEATH: Put it in a format that we can
7 read.

8 MR. MOORE: Which is what?

9 MS. BUFORD: Eight and a half --

10 MR. HEATH: Eight and a half by 11.

11 MR. MOORE: Put it on two pages that are
12 eight and a half by 11 rather than one 11 by 17. Is that
13 what you're saying?

14 MS. BUFORD: Yes. Unless you identify it
15 as an attachment, an appendix, because I don't believe
16 the page restriction is applicable to the appendix. It's
17 applicable to the narrative portion of the proposal. So
18 if you put it in as an appendix and it's 11 by 17, that
19 would be fine. But if it's narrative to support your
20 proposal, it needs to be eight and a half by 11.

21 MR. MOORE: I think if you allowed for some
22 eight and a half -- or 11 by 17s, it's going to actually
23 help your review process.

24 MS. BUFORD: Well, we'll take it under
25 advisement. But unless an amendment is issued, then

1 expect the 11 -- you know the eight and a half by 11.

2 THE REPORTER: What is your name?

3 MR. HEMMER: Bob Hemmer, H-e-m-m-e-r.

4 THE REPORTER: And your name, sir?

5 MR. MOORE: James Moore.

6 MS. BUFORD: "Where do we include the
7 sample task order schedule in the proposal?"

8 Section 1320 requires the submission, and
9 right now the 120 is not reflecting it. So it will be
10 reflected when we issue the revised Section 120. The
11 differences between the 1320 and the 1321 deals with 100
12 percent construction or design build. If it has design
13 build, then the schedule takes you to 1321. Since the
14 sample task order is 100 percent design, it just requires
15 like a bar chart formation, and we are working on that in
16 Section 120 and 220.

17 "Is Form 2464 progress schedule required
18 for submittal in the proposal?" And it's referring back
19 to Section 1321-2. 1321-2 would not be applicable to the
20 task order because it's not a design build task order.

21 Down to the last two. "Is the bidding
22 schedule for the Port Isabel dorm the form that will be
23 reviewed to score our capability in bidding task orders?
24 Do you want all subcontract bids listed here or
25 elsewhere? Will you accept modifications of this form?"

1 The evaluation for the contracts is going
2 to be twofold. We will be conducting an evaluation for
3 award of the base contract, which is reflective of
4 Volume 1, and then evaluation for award of the task
5 order, which is Volume 2.

6 And we will be looking at -- A part of the
7 evaluation is rapid response. So we will be looking at
8 the proposal submitted and evaluating it against the
9 factors identified in Section 150.

10 "Will you accept modifications of this
11 form?"

12 I don't know what form is made reference
13 to.

14 "Please confirm that the page limitation
15 only applies to Volume 1."

16 Yes.

17 "Do cover pages, tables and tables of
18 contents, et cetera, count towards the page limitation?"

19 No.

20 That's the only written questions we've
21 received. Do you have any others?

22 MR. READMON: Previously before you had
23 said the 75-page limit applied to the IDIQ MATOC as well
24 as the task order. And the task order is Volume 1A.

25 MS. BUFORD: Exactly.

1 MR. READMON: Okay. So 75 pages or sheets
2 only applies to Volume 1 --

3 MS. BUFORD: Which includes Volume 1A. It
4 specifically tells you in Section 120 that the page
5 limitation is applicable to the sample task order. I'll
6 read it for you.

7 MR. READMON: I believe it says --

8 MS. BUFORD: It says, "Volume 1 of the
9 offerer's proposal should not exceed 75 single spaced
10 double-sided sheets excluding subcontractor endorsements
11 and sample projects." That's an error. It will be
12 including, and we will correct that with the amendment.

13 MR. READMON: Subcontractor endorsements
14 and --

15 MS. BUFORD: Sample project.

16 MR. READMON: Okay. All of that is still
17 IDIQ MATOC. It has nothing to do with the sample task
18 order?

19 MS. BUFORD: The sample project is the
20 sample task order. So I'll correct the wording on the
21 sample project to reflect that.

22 MR. READMON: Okay.

23 MS. BUFORD: Okay. And the reason why
24 we're going through these restrictions on pages is --
25 government has heard contractors, where you've expressed

1 concern about the level of effort extended in putting
2 these proposals together and cost-wise. So our response
3 to that is to restrict the number of pages that are
4 required for submission.

5 I mean, we even have an additional
6 requirement upon award of a task order for subsequent
7 proposals with a page limitation of five. Since this
8 proposal basically only reflects technical information
9 and management information, I don't think it's
10 unreasonable to accept that you could present that within
11 75 pages.

12 MR. READMON: I'm not questioning that.

13 MS. BUFORD: Okay.

14 MR. READMON: What I'm saying is it would
15 include the sample task order. And we get very detailed
16 on quantity and labor and material and subcontract costs
17 and everything on the sample task order. Every page we
18 chew up there takes away from the MATOC.

19 MS. BUFORD: Remember, that detail was
20 required under sole source. It's going to be converted
21 to a competitive task order. So you won't be providing
22 that detail. And had you provided that detail, that
23 would have been included in Volume 2, cost price
24 proposal, not Volume 1.

25 MR. READMON: Okay.

1 MR. HUSSEY: Tom Hussey with Swinerton.
2 Under your bidding schedule you have hours listed of
3 21,000 hours as an example, but there's multiple
4 classifications of personnel in there. Are we to make a
5 composite hourly rate out of what we deem is the --

6 MS. BUFORD: Applicable to that
7 classification, and as far as experience is concerned in
8 Section 900, we define levels of experience required.
9 For instance, I believe on the professional level one
10 it's four years and it defines what categories are
11 inclusive there. Yes. The hourly rate you reflect on
12 your bid schedule will be inclusive of that level of
13 expertise.

14 MR. HUSSEY: Okay. Thank you.

15 MR. HUTCHINSON: Don Hutchinson of Plintco.
16 Under bidding schedule Item 11, 0011, it says "contractor
17 site." The unit of measure is each, and later on a
18 couple pages back you give an example of 0011 and it
19 called -- it's on page 13, called "unit hours" and it's
20 defined as downtime.

21 MS. BUFORD: That is incorrect. We had an
22 earlier question in reference to that. You're referring
23 to paragraph 16 where it has 11 downtime. That's an
24 error and it should not be included there. So we will be
25 deleting that reference from the notes.

1 MR. HUTCHINSON: From page 13?

2 MS. BUFORD: From page 13.

3 MR. HUTCHINSON: What is the definition of
4 contractor site under this schedule?

5 MS. BUFORD: Contractor site is defined.
6 It's on page -- flip one page over, page 14. It's cost
7 for rental of either a trailer or office in support of
8 any task order requiring on-site administration personnel
9 or material storage site.

10 Any other questions?

11 MR. MARTINEZ: Richard Martinez with HDR
12 Architects. You mentioned earlier that once you select
13 two 8(a) contractors that they potentially would be
14 bidding against each other competitively for an
15 individual task order.

16 Would the same scenario be in place if you
17 had a design build task order where you have two
18 contractors that may have AE components competitively
19 bidding against each other for that; is that correct?

20 MS. BUFORD: Correct.

21 MR. MARTINEZ: So the hourly rates that are
22 established for the AET members are one of the
23 consideration factors you have in awarding this contract?

24 MS. BUFORD: Correct.

25 MR. MARTINEZ: Okay. So if you have an

1 existing contract with the federal government that has
2 established hourly rates, then -- Well, okay.

3 MS. BUFORD: Okay.

4 MR. MARTINEZ: I've gone as far as I want
5 to with that question.

6 MS. BUFORD: Okay. Any other questions?

7 MR. READMON: Howell Readmon, C. F. Jordan.
8 On the sample task order form to be filled out, the
9 professional category line items are all asteric'd and
10 that means that we don't extend them out and put a total
11 over there; is that correct?

12 MS. BUFORD: Correct.

13 MR. READMON: And yet professional level
14 one is the project superintendent and the contractor
15 quality control manager, site safety officer.
16 Professional level two is an architectural engineering
17 role. We've already said that that doesn't apply under
18 this sample task order. But certainly the estimator, the
19 safety engineer and so forth would apply. And
20 professional level three is project engineer, that would
21 apply to the task order and so forth. So can you rethink
22 those line items?

23 MS. BUFORD: The reason why we did not
24 separately identify pricing for those line items is
25 because we chose to rather have you propose them under

1 the other line items.

2 Typically, when we issue a tasking and
3 we'll show, you know, proposed professional level one,
4 two, three or four, it's more related to design
5 build-type work, not 100 percent construction.

6 And since the task is 100 percent
7 construction, I need not know separately the pricing for
8 your labor in lieu of it already being collapsed. You'll
9 utilize the other line items that are in the schedule.

10 So because this one is 100 percent
11 construction, it has no design build need in it. I don't
12 need to know individually your labor rates. Then the
13 task schedule, your bidding schedule for that supports
14 it. That does not eliminate the requirement for the
15 construction quality control manager and all those
16 others.

17 And in the revisions that will be coming
18 forth, Section 1320, 220, 120 we're going to specifically
19 identify key personnel as it relates to that task order.

20 MR. READMON: Okay.

21 MS. BUFORD: So just because we did not use
22 those line items does not eliminate the need or the
23 requirement to include that personnel and pricing in the
24 schedule.

25 MR. READMON: Where do I put it on the

1 pricing --

2 MS. BUFORD: You would be able to use -- An
3 example would be line item -- line item No. 6.

4 MR. READMON: Right.

5 MS. BUFORD: Line item No. 7.

6 MR. READMON: Those are subcontractors.

7 MS. BUFORD: No. Only six is
8 subcontractor.

9 MR. READMON: Okay. Seven is material and
10 equipment.

11 MS. BUFORD: Yeah.

12 MR. READMON: I don't think my
13 superintendent's going to like being called material and
14 equipment.

15 MS. BUFORD: We'll look at it again, and if
16 we need to revise it, then we'll revise it. But it goes
17 back to my original statement regarding utilization of
18 the line items that are in the contract upon award.
19 Those are the line items that are in there.

20 The tasking itself did not specifically
21 identify if it was professional level one, professional
22 level two, professional level three or four. So without
23 that definition, they set up the schedule as best as they
24 could.

25 So what we'd have to do if we were going to

1 open up those lines is to get back with INS and find out
2 from them what level of professionalism are they
3 anticipating for construction of their facility, and then
4 we open up those lines. But right now the solicitation
5 does not have that type of information.

6 MR. TORRES: So we don't include that cost?

7 MR. HEATH: Yes, you will include that
8 cost.

9 MS. BUFORD: What I hear is that there is a
10 need to amend the schedule as it relates to pricing under
11 task order and we will do that. I cannot give you a
12 specific right now as to what it will be, because it
13 requires additional discussions with INS so that we can,
14 you know, decipher from them exactly what needs to be
15 done and then we will issue the amendment and it will be
16 included in what's coming out in the next few days. That
17 is our best -- That was our best, at the time, attempt at
18 getting you a schedule utilizing the schedule that's in
19 the contract.

20 MR. READMON: And you said a minute ago
21 that you were taking this to a firm fixed price?

22 MS. BUFORD: Now, don't get confused. All
23 taskings are going to be firm fixed price. All task
24 orders -- The firm fixed price that you establish in
25 these schedules sets up the firm fixed price that we'll

1 utilize for the task order.

2 MR. READMON: Okay.

3 MS. BUFORD: Now, the initial intent was to
4 go sole source. In setting up that firm fixed price
5 under a sole source environment, I need cost and pricing
6 data to support the reasonableness of it.

7 MR. READMON: I understand.

8 MS. BUFORD: We're getting rid of that
9 requirement. So it's competition is expected to be able
10 to document the reasonableness of price. Once that's set
11 up the unit pricing that's in the contract is the unit
12 pricing that we'll utilize. That's what's firm fixed.

13 MR. READMON: Typically, when you put out a
14 firm fixed price request for proposal or request for bid,
15 whatever you're going to call this, you also provide a
16 number of calendar days and a time frame and an amount of
17 liquidated damages.

18 MS. BUFORD: It's in there.

19 MR. HEATH: All of that is part of the
20 amendment. And the bid schedule will be revised in the
21 next amendment that's coming out very quickly.

22 MR. READMON: Okay.

23 MR. TORRES: Will you have a government
24 estimate on each task order? And what happens if,
25 whoever it is that's bidding on this particular job, all

1 three bids or all two bids are way over the government
2 estimate?

3 MS. BUFORD: We won't award to that pool of
4 contractors.

5 MR. TORRES: Then what happens to that job?

6 MS. BUFORD: Then the contracting officer
7 will make a decision regarding whether or not it's
8 applicable to request proposing from the alternate pool
9 of contractors. If we do so and still receive
10 unreasonable pricing, we can either cancel the
11 solicitation or use other means to award the requirement.

12 MR. TORRES: What do you mean additional
13 contractors, request prices from additional contractors?
14 You're going to have five; two 8(a)s and three
15 unrestricted, which additional ones are you talking
16 about?

17 MS. BUFORD: Keeping in mind, we would not
18 compete 8(a) contractors with the unrestricted. So using
19 a scenario you've presented: If the request went to the
20 unrestricted contractor and pricing came back as being
21 unreasonable, we still have 8(a) contractors we can
22 consider for that task. And it's likely that we could
23 say "Hey, 8(a), what can you do with this?" And if they
24 come back unreasonable, then, you know, we'll have to
25 make a decision whether we cancel it or use other rules.

1 MR. HEATH: However, before we took that
2 step -- if this particular job is a secured dorm and all
3 the proposals came in way too high and we couldn't raise
4 our government estimate to meet that, then we would enter
5 negotiations or convert that negotiation and go to a
6 fact-finding session --

7 MS. BUFORD: I thought in your example you
8 already -- you said you issued a request for proposal.
9 So you were already in discussion, and the result of the
10 discussions you still had nonreasonable pricing, right?

11 MR. TORRES: Well, it's twofold. I mean,
12 he's entered another step in there and that's what I
13 wanted to know. But, ultimately, I guess my question is:
14 These contractors, whoever they may be, don't have an
15 open pocketbook.

16 MS. BUFORD: No.

17 MR. TORRES: They're going to be held
18 responsible for being competitive?

19 MS. BUFORD: Exactly.

20 MR. HEATH: Correct.

21 MS. BUFORD: Yes, sir?

22 MR. HUTCHINSON: Don Hutchinson again. I
23 have one more question regarding the bid schedule. On
24 the 1442 we type in the -- on line item 17 we type in the
25 bid amount in words, and then on the schedule itself,

1 starting with what's presently shown -- I understand it's
2 going to be revised -- but what's presently shown is Item
3 0006 through 13, that those dollars are supposed to total
4 the amount we put in on the face of the bid form?

5 MS. BUFORD: Well, see, the way the
6 schedule is currently reading, six through 13 are blank
7 because they are to be identified once a tasking is
8 brought forward.

9 MR. HUTCHINSON: That's what I'm talking
10 about.

11 MS. BUFORD: So your pricing for here --
12 You're not going to bring your pricing -- You can look at
13 it twofold. If we don't revise pricing for the sample
14 task order and you're using that and you bring that
15 forward on the 1442 that's on pages one and two, then
16 that would be representative of your total bid plus the
17 initial task order. Absent that, the total bid is only
18 inclusive of line items one through five, 12 and 13.

19 MR. HUTCHINSON: Total bid meaning one
20 through five, 12 and 13 without the sample task order?

21 MS. BUFORD: Exactly.

22 MR. HUTCHINSON: So the 200-bed
23 dormitories, we would add all of those together, that
24 would be our base?

25 MS. BUFORD: You could, yes. But Volume 2

1 where this is inclusive of has two submissions. It has
2 the submission for the base bid, which is line items one
3 through five, 12 and 13 separately. It has a requirement
4 for the same thing as it relates to the initial task
5 order separately as Volume 2A.

6 MR. HUTCHINSON: Okay. And that would be
7 five through 11?

8 MS. BUFORD: Yes.

9 MR. HUTCHINSON: Got you.

10 MS. BUFORD: But for simplicity, if you
11 wanted to look at total price for bid guarantee purposes,
12 that's an exercise you could do and come up with the same
13 result.

14 MR. HUTCHINSON: But what you want is it to
15 be on two different -- you've got a separation in --

16 MS. BUFORD: Volume 2 and Volume 2A.

17 MR. HUTCHINSON: Thank you.

18 MR. TORRES: Can you explain why the
19 government is using this type of procurement on
20 construction which is considered a local buy? You know,
21 to me, you have enough competition in any one area of the
22 country with both small and large businesses, 8(a)s or
23 whatever, why would the government -- and I'm asking this
24 from a taxpayer point of view.

25 Why would the government restrict itself,

1 restrict competition to five potential contractors for
2 the whole country to \$281,000,000 worth of work?

3 MS. BUFORD: John, do you want that one?

4 MR. TORRES: Let me just explain a little
5 more. The very large contractors have a problem looking
6 down because they don't necessarily want to give
7 \$25,000,000 jobs across the country. The small
8 contractors don't want to get five, \$1,000,000 jobs
9 across the country. And so it kind of, you know, creates
10 a competitive dilemma, challenge.

11 MR. ROGERS: John Rogers. I was going to
12 give La Vette a few minutes there to formulate an answer
13 before I came up and gave my answer. I guess, why is the
14 government going to such a format of the contract?

15 It's very costly, time-consuming to put out
16 separate solicitations for every project. And so the
17 answer to that through all sorts of congressional acts is
18 to encourage IDIQ contracting, multiple-award task order
19 contracting where you compete for task orders. And as
20 long as you compete the up-front requirement as a whole
21 and you get on board a pool of contractors, that, to
22 congress, answers the competition requirement and good
23 business practices requirement.

24 So, yeah, you could go separate
25 solicitation, but it's going to be more costly and it's

1 going to cost the taxpayer more in all of that
2 processing. Hopefully, with the competition amongst
3 contractors, it'll keep the pricing of the individual
4 task orders within line and fair and reasonable and
5 competition would be there.

6 So it's just a matter of at the beginning
7 you're competing and you're getting your pools together,
8 your unrestricted pool and your 8(a) pool, and you've got
9 them there set and it's supposed to be the best thing --
10 best thing around.

11 MR. TORRES: I guess I just don't see.
12 You're still competing against -- or each task order.
13 So, to me, you're -- instead of going out to the world or
14 the local community where the job's at, you're going to
15 three guys or to two guys.

16 And, you know, let's say, for instance,
17 that you pick an east coast, a west coast and, you know,
18 southern contractor, how can all three of them be
19 competitive on a job on the west coast? You know, why
20 would they all have the same interest in that job?

21 The very large guys may not want to go
22 after a \$2,000,000 job in Laredo or Del Rio or in the
23 sample project.

24 MR. ROGERS: Right.

25 MR. TORRES: It seems counter-productive to

1 be doing what you're doing and really not competitive.

2 MR. ROGERS: Well, it is competitive with
3 the multiple awards. I mean, you have -- you've just
4 preset your pool. And all the regulations about multiple
5 award, task order contracts that's what you're doing with
6 it, and you're giving a fair opportunity to the
7 contractors that are in that pool to compete and that's
8 been determined to be an acceptable procurement strategy.
9 If it doesn't work and we don't see the benefit to it,
10 then we certainly won't do it, but we've got to try
11 somewhere and sometime to do it.

12 MR. HEATH: I can also address some of that
13 from the customer's standpoint. The INS is being given a
14 bunch of money. I mean, a lot of money. Congress
15 accepted to execute it timely. Well, being in the
16 programmatic standpoint of the office that I work out of,
17 we are getting a lot of contractors that are not
18 experienced in security-type environments.

19 And you'll notice in the evaluation
20 criteria, it's heavy on the border patrol stations, the
21 SPCs, the secured dormitories. These are the things that
22 our customer needs. We have got to have -- They are
23 demanding that we put this out. They are demanding that
24 we get good contractors that have the experience
25 necessary to execute these contracts quality-wise,

1 efficiently and price.

2 They are definitely on top of us. They're
3 on top of GSA as well about making sure that we have good
4 management criteria, good management contractors, and so
5 that's why we are formulating these two pools so that
6 they will have the initial base of experience necessary
7 and as we go forward they build even more experience
8 necessary to perform well.

9 MR. TORRES: I guess in the real world, the
10 nongovernment world, the architects would go out and
11 prequalify contractors for any one area, and, to me, that
12 would be a more proficient system to buy all this \$281 --
13 I mean, million, because construction is considered a
14 local buy, not a national buy.

15 And when you're restricting just to three
16 potential large businesses, you know, I just can't see
17 how that's going to be the best for your tax dollar.

18 MR. HEATH: I understand your concern, but
19 also realize that there's going to be a lot of dollars
20 that are subcontracted out and that's where you're going
21 to get your local construction contractors from. That's
22 where they're going to come from.

23 But the management capability is what INS
24 is after. The ability for the contractor to have the
25 management capability as well as a nationwide AE so that

1 we can get their mission executed.

2 MS. BUFORD: That concludes the conference
3 for the day. I do have copies of the solicitation CD if
4 it's needed up front with me. Thank you for coming.

5 (Proceedings concluded at 12:41 p.m.)

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1 COUNTY OF TARRANT)

2 STATE OF TEXAS)

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4 I, Jacci Walker, Certified Shorthand Reporter, in and
5 for the State of Texas, hereby certify that the preceding
6 85 pages is a true record of the proceedings held on
7 October 24, 2002.

8 Given under my hand of office on this the 5th day of
9 November, 2002.

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