



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OFFICE OF  
SOLID WASTE AND EMERGENCY RESPONSE

AUG 31 1990 OSWER Directive 9242.6-07

**MEMORANDUM**

SUBJECT: Approval of Long Term Contracting Strategy for  
Superfund (Superfund Management Review: Recommendation  
E.2)

FROM: Henry L. Longest II, Director *Jim Fieldy for H.L.*  
Office of Emergency and Remedial Response

TO: Don R. Clay  
Assistant Administrator

**PURPOSE**

I have attached for your approval a paper which summarizes the issues, findings, analysis and recommendations for the Superfund Long-Term Contracting Strategy. Implementation plans will be developed subsequent to your approval.

**BACKGROUND**

The issues, analysis and recommendations contained in this paper are the products of an Agency-wide task force comprising representatives of the Office of Emergency and Remedial Response, the Office of Waste Programs Enforcement, the Procurement and Contracts Management Division, as well as the ten Regions and Headquarters project officers, contracting officers and other affected organizational entities. The overall effort is a 90-Day Study project scheduled for completion at the end of August 1990.

As part of this effort a broad analysis was conducted on the program's dependence upon contractor support. The analysis ranked Superfund contractor work in terms of its relationship to the decision-making process and the perception of overdependence. The analysis indicated that the Superfund work being performed by our contractors is legal, appropriate, and within the scope of OMB guidance on contracting. Because of the large resource implications, a recommendation was made to maintain the same

level of Superfund contracting while strengthening contracts management through increased training, clear policies and procedures, and increased management attention.

~~2004~~ The attached Executive Summary outlines the recommended strategy. In addition, the attached paper contains a discussion of the development of the strategy, the key evaluation factors, the five options developed by the task force and the analysis of those options by the key subgroups. The task force subgroups analyzed the structure, competitive aspects, roles and responsibilities, legislative impact and organizational barriers posed by the optional contracting approaches. Detailed appendices containing documentation of the analyses are available upon request.

The regional representatives of the task force supported continued decentralization under the final recommended strategy. The workload analysis developed by the task force demonstrated that the resources needed to support the strategy are approximately the same as current levels of personnel (both program and contract office) provided in the budget.

The recommended strategy addresses Superfund contracting by each of the program functions. This strategy balances the key evaluation criteria and the needs of the various program functions. The Executive Summary contains a description of the components supporting the program functions.

The Long-Term Contracting Strategy recommends that preremedial and removal support be combined. This involves merging the two dedicated teams -- the Field Investigation Team (FIT) and the Technical Assistance Team (TAT). These regionally based teams will provide technical assistance to both the site assessment and removal programs. The strategy proposes that the site cleanup needs of the removal program will continue to be addressed by a decentralized approach which includes time-critical and site-specific contracts. In addition, rapid response capabilities for the remedial program will be included in these contracts. For the rare nontime-critical responses, activities will be integrated into a response action contractor function.

In evaluating the needs of the preremedial program, the imminent expiration of the Field Investigation Team (FIT) contract (September 1991) required the evaluation of an interim implementation plan, as well as long-term recommendations. The strategy recommends using ARCS contract capacity to support preremedial activities for up to three years. We will work to assure that the ARCS contracts contain administrative procedures which minimize the burden placed on the Regions using this new structure. The procedures will also provide for the rapid

response capabilities to which the Regions have become accustomed in use of the FIT.

The remedial and enforcement oversight responsibilities are proposed to be integrated into a single response action contractor structure. In addition, specialized enforcement activities are proposed to be separated into regionally-based contracts to provide items such as litigation support and potential responsible party searches. Separate administrative and regional management support contracts will also be developed.

The component of the recommendation related to analytical support under the current Environmental Services Assistance Team contracts, proposes decentralized regional contracts. However, the task force deferred a final decision on decentralization of the Contract Laboratory Program pending additional study and the outcome of several pilot efforts. This recommendation reflects Regional requests by both the Waste Management and Environmental Services Divisions.

Finally, at Regional request, a centralized transportation and disposal broker contract is proposed to assist Regions in locating and procuring such activities nationally. The services that would be provided under this contract will require further definition and evaluation prior to implementation.

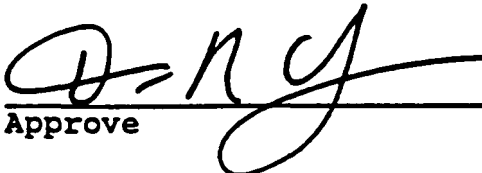
#### OBJECTIVE

I am asking for your approval of the recommended strategy. The final strategy is required to be completed by the end of August 1990.

#### IMPLEMENTATION

This strategy is intended to be a road map for the next decade of Superfund contracts. We will continue to evaluate the strategy in light of changes that may occur in the program. Upon your approval, an implementation plan will be developed to phase-in the new contracting structures as existing contracts expire and to avoid program disruption. The plan will be developed by the Long-Term Contracting Strategy Task Force and will outline our approach to initiating the new contract program.

Attachments

 Date 9/9/90  
 Approve

\_\_\_\_\_  
 Disapprove Date \_\_\_\_\_

cc:

Bruce Diamond, Director, OWPE  
David O'Connor, Director, PCMD  
Regional Waste Management Division Directors  
Regional Environmental Services Division Directors  
Office of Emergency and Remedial Response Division Directors  
Mark Walker/PCMD  
Elaine Stanley/OWPE  
Sally Mansbach/OWPE  
Tim Fields/OERR  
Clem Rastatter/OERR  
Long-Term Contracting Strategy Task Force  
Regional Quality Assurance Officers  
ASAC Members  
Stanley Laskowski, Region III, Lead Superfund Region  
William Muszynski, Region II, Lead Superfund Region FY91  
Superfund Branch Chiefs, Regions I - X

# LONG-TERM CONTRACTING STRATEGY FOR SUPERFUND

## TASK FORCE MEMBERS

---

REGION 1	Dennis Gagne Joshua Nemzer	OERR/OPM	Clem Rastatter John Jaksch Debbie Dietrich
REGION 2	Shaheer Alvi Deborah Butler		John Comstock Kay Waters Linda Garczynski
REGION 3	Peter Schaul Marie Murphy		Kerry Kelly
REGION 4	Matt Robbins Jane Singley Carol Monell Jan Rogers Bobby Carroll	OERR/HSCD	Paul Nadeau Scott Fredericks Robert Heffernan
		OERR/ERD	Bruce Engelbert Susan Janowiak
REGION 5	Cindy Wakat Elissa Speizman	OERR/HSED	Lynn Beasley
REGION 6	Carlene Chambers Chris Peterson	OWPE	Frank Biros Mike Kosakowski Walt DeRieux
REGION 7	Alan Wehmeyer Larry Kalwei	PCMD	Mark Walker Ika Joiner Bill Topping
REGION 8	Charles Mooar		Pat Patterson Louise Senzel
REGION 9	Peter Orth		Dave Stutz Jordan Strauss
REGION 10	Kathy Davidson D.J. Lovelady	OSBDU	Tom O'Connell Margie Wilson

## **EXECUTIVE SUMMARY**

The Agency developed a Superfund Long-Term Contracting Strategy to meet two objectives. First, to analyze the long-term contract needs of the Superfund Program, and second, to design a portfolio of Superfund contracts to meet those needs over the next ten years.

### **Analyzing Superfund Contracting Needs**

In analyzing Superfund Program contracting needs, several assumptions were made about the future direction of the Superfund Program. The Agency assumed program priorities and policies will continue to change as the program matures. For example, the May 1989 Superfund Management Review presented new areas of program emphasis including an integrated "One Program" approach to enforcement and response. Reauthorization of the Superfund legislation may also bring changes to the program. The Agency also recognized that effective cleanup of Superfund sites will be a complex, long-term effort. Additionally, competition for scarce resources and changes in program focus may lead to fluctuations in the Superfund budget. These factors indicate that the Agency needs to establish a contracting strategy that will support both current and future program goals.

### **Strategy Direction**

The Superfund Long-Term Contracting Strategy is built on several key principles. The strategy is designed to:

- Support an integrated "One Program" approach to enforcement and response;
- Support project management from site discovery through remedy construction;
- Build in flexibility to respond to changing program priorities and budgets;
- Support rapid response to immediate risks;
- Decentralize contracts management to the Regions where practicable; and
- Be implemented to avoid program disruption.

### **Approach**

An agency-wide task force was formed to analyze the contracting needs of the Superfund Program and recommend a portfolio of contracts. The Long-Term Contracting Strategy Task Force comprises the Office of Emergency and Remedial Response, Office of Waste Programs Enforcement, the Procurement and

Contracts Management Division, the Office of Small and Disadvantaged Business Utilization, and the Regions' Waste Management, Environmental Services, and Management Divisions.

The task force developed four contracting options in addition to the status quo, and identified issues and evaluation criteria for their analysis. Key issues examined by the task force included:

- What contracting approach will best support an integrated "One Program" with flexible responses?
- What contracting approach will best deal with program and budget changes?
- What contracting approach will promote decentralization and create program efficiencies?
- What contracting approach will best maintain and increase competition?

Various aspects of each option were evaluated including structure, legislative effects, impact on EPA resources, roles and responsibilities, organizational barriers, and competition (see Chart I-Analysis of Options by Evaluation Criteria, page v). Each option's impacts on the program functions (e.g., preresidential, removal, and remedial) were also analyzed. The task force then selected elements of the options that best served each program function while meeting the evaluation criteria.

#### Long-Term Contracting Strategy

The Long-Term Contracting Strategy promotes program integration, incorporates flexibility to meet change, and balances the various evaluation criteria. The strategy supports the "One Superfund Program" concept and minimizes handoffs by integrating cleanup activities according to response needs rather than NCP classification. In addition, enforcement oversight and remedial response are consolidated to increase regional flexibility to pursue various enforcement options. The following summary presents an analysis of the strategy by program function (also see Chart II-Long-Term Contracting Strategy, page vi).

#### Preresidential

For the long-term, the strategy creates regional contracts with dedicated teams performing both preresidential Field Investigation Team (FIT) activities and removal Technical Assistance Team (TAT) activities. This approach will promote program integration and early action at Superfund sites by coordinating site discovery, investigation, and removal assessment activities. The combined teams will also provide the

Regions with flexibility to respond to changing budgets and workloads. Finally, the approach enhances preaward competition, opportunities for small business participation, and decentralization by creating smaller, regionally based contracts.

Because the FIT contract is due to expire in 1991, the task force also considered interim approaches to facilitate transition to the new contract mechanism. The strategy uses ARCS contract capacity to support preremedial activities for up to three years.

#### **Removal**

The strategy creates regional FIT/TAT contracts. The strategy provides flexibility for the Regional Removal Programs by maintaining a dedicated technical assistance team for emergency response. The strategy combines time-critical removal cleanup activities with rapid remedial responses. This approach enhances flexibility and promotes program integration by providing all rapid response capabilities under a single regional contract mechanism. It also reduces the handoffs that can occur between removal and remedial during rapid responses at Superfund sites. Further, competition and small business participation are enhanced through creation of smaller, regionally based cleanup contracts.

#### **Remedial**

The strategy combines all remedial activities, enforcement oversight, and nontime-critical removals under a single regional contracting mechanism. This approach will reduce handoffs and promote program integration by creating one umbrella program to perform all remedial and enforcement oversight work. Integrating remedial action with enforcement oversight will give the Regions flexibility to pursue various enforcement options. Contract management impacts will be minimized because the new contracts can use the existing management infrastructure created for the ARCS contracts. Also, the numbers of contracts will be reduced by eliminating separate TES oversight contracts. Multiple remedial contracts, available to each Region, will provide flexibility to respond to potential conflict of interest problems, and enhance postaward competition based on contractor performance.

#### **Enforcement Support**

The strategy creates small regional contracts to provide specialized enforcement support services. The new contracts will provide enhanced support to Superfund enforcement efforts by supplying expertise for specialized efforts such as PRP searches and litigation and negotiation support. This should reduce the appearance of conflict of interest by removing this specialized support from a response action contract.



## **Regional Management Support**

The strategy creates small regional contracts to provide Regional management support. These contracts will provide vital administrative support to On-Scene Coordinators and Remedial Project Managers, as well as information management support. The task force agreed, however, that the contract scopes of work must be further defined. Pre-award competition, small business participation, and decentralization will be enhanced by creating these small, regionally-based contracts.

## **Analytical Support**

The strategy decentralizes the Environmental Services Assistance Team (ESAT) contracts, but deferred a decision on decentralizing the Contract Laboratory Program (CLP) pending further analysis. This approach minimizes opportunities for conflict of interest by maintaining a separate contract for data review. The approach also promotes decentralization, and increases opportunities for small business participation by creating smaller, regional contracts.

## **Transportation & Disposal Broker**

The strategy recommends evaluating the creation of a national T & D Broker. Such a contract might assist in minimizing the delays experienced with current disposal arrangements. The task force agreed the Regions need enhanced support in tracking facility status, comparing disposal and transportation costs, and arranging for disposal. The expertise of a national broker might make the disposal process more efficient and consistent across sites, and achieve economies of scale not now realized at the regional level.

## **Community Relations**

The task force discussed the need to enhance the consistency and credibility of Superfund community relations. The task force recommended that an evaluation of integrated community relations support within the remedial contracts, and a review of the advisability of bringing some community relations activities in house be performed.

## **Next Steps**

The next steps for the task force will involve developing a strategy implementation plan. This plan will phase-in new contract procurement as existing contracts expire, to avoid disruption of program activities.

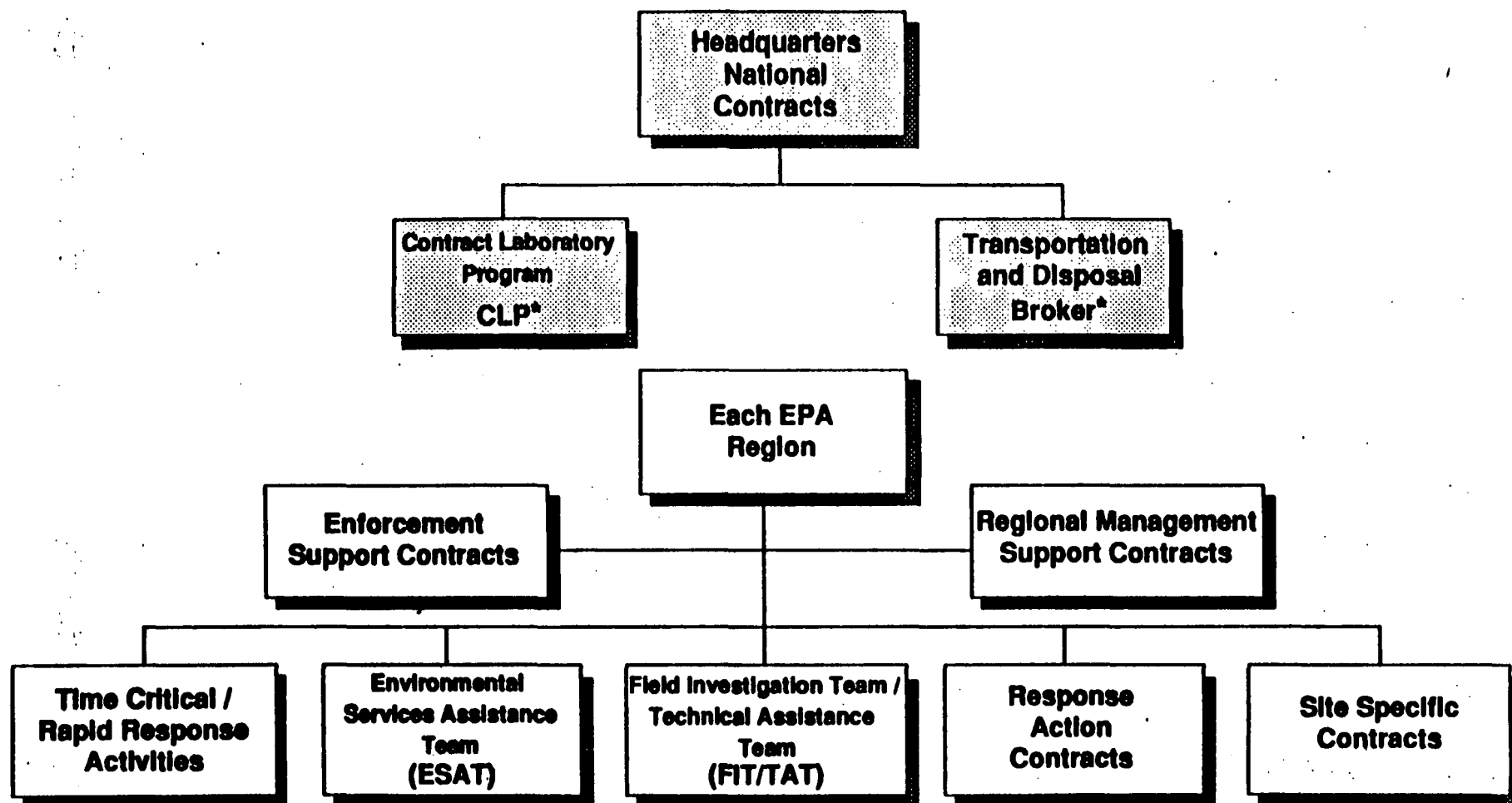
# Analysis of Options by Evaluation Criteria

Evaluation Criteria		OPTION A	OPTION B	OPTION C	OPTION D	OPTION E	Recommended Strategy
Highest Priority	1. Integrated One Program				●	●	●
	2. Flexibility				●	●	●
	3. EOI Resources	●	●	●	●	●	●
	4. Promotes Decentralization		●	●	●	●	●
	5. Increases Competition		●	●	●	●	●
Medium Priority	6. Contract Program Management Costs	●	●	●	●	●	●
	7. Reduces Duplication Between HQ & Regions		●		●		●
	8. Reduces Handoffs			●	●	●	●
	9. Minimizes Organizational Impact	●	●				●
	10. Minimizes Programmatic Impact	●				●	
Low Priority	11. Reduces Numbers of Contract			●	●	●	●
	12. Minimizes Conflict of Interest		●		●		●
	13. Minimizes Implementation Efforts	●		●	●		
	14. Increases Small Business Participation		●		●		●
	15. Minimizes Legislative Impact	●				●	

Key

- Best Meets Criterion
- Meets Criterion

# Recommended Long-Term Contracting Strategy for Superfund



1. \*Defers decision on decentralizing CLP pending further study.
2. \*Creates concept of national broker for transportation and disposal services. Further evaluation to be conducted.
3. Creates regional contracts for PRP searches and litigation support, and separate regional contracts to provide data entry, management, and administrative support.
4. Combines removal time-critical and rapid remedial response activity.
5. Decentralizes ESAT to Regions.
6. Combines two dedicated team programs (TAT, FIT) into one program for removal and prere Remedial activities.
7. Integrates enforcement oversight of PRP lead remedial activities into response action contracts for RI/FS, RD/RA and non-time critical removals.

## LONG-TERM CONTRACTING STRATEGY FOR SUPERFUND

### I. INTRODUCTION

The Environmental Protection Agency developed the Long-Term Contracting Strategy for Superfund to define the shape of the portfolio of Superfund contracts over the next ten years. The Superfund Program over the years has undergone many changes in emphasis as it has matured. One of the key results of this maturation process is a recognition that flexibility to respond to changes such as fluctuating budgets, modified regulations, statutes and policies will need to be a cornerstone of the defined strategy.

This paper summarizes the background of the strategy, the program direction, key issues, and strategy objectives. Section II outlines the approach taken to develop the strategy; Section III provides a summary of the analysis of the optional approaches designed to meet the strategy objectives and evaluation criteria. Finally, Section IV analyzes the components of the recommended structure for the strategy. Detailed documentation supporting this summary is available in appendices, as noted throughout the text.

### Background

The Superfund Management Review issued in May 1989 emphasized the need for a long-term contracting strategy incorporating the key objectives of the Review. These objectives: the integration of program elements (e.g., enforcement, remedial, removal) into "one program" to more effectively pursue cleanup of Superfund sites, the need for making all sites "safe" via early action to mitigate immediate risks, the emphasis on pursuing enforcement actions prior to committing fund money for cleanup, and the need for flexibility in administering the program, have defined and shaped the final recommendation for the long-term contracting strategy.

In addition, the Superfund program recognized the need to improve its contract management. Outside scrutiny by Congress, the Office of the Inspector General, and the General Accounting Office also highlighted areas of contract management which needed improvement. In response, EPA has instituted many improvements in the short term management of the contracts (e.g., development of training programs for On-Scene Coordinators, Work Assignment Managers, and Remedial Project Managers; issuance of policies on conflict of interest; improved cost control mechanisms). These short-term improvements will continue to be developed and implemented as an ongoing part of the contracts management process. However, it was also decided that resolution of some issues would best be done in the context of the development of a long-term contracting strategy (e.g., improved contract management via delegation of authority to Regions).

## Program Direction

In developing the Long-Term Contracting Strategy, it was necessary to define the future direction of the program in order to tailor the strategy to fully support the program. Certain key trends were determined to influence Superfund contracting (see Appendix 2). The budget process and determination of priorities will be affected by these trends. Several important points in defining these trends came to light.

It is expected that the queue of sites awaiting ranking for the National Priorities List (NPL) will continue to grow. In addition, the number of sites undergoing potentially responsible party (PRP) led remedial investigation/feasibility studies (RI/FS) and remedial design/remedial actions (RD/RA) will increase, generating the need for additional enforcement support and oversight. The number of sites awaiting remedial action is expected to increase along with the number of sites requiring rapid responses.

These trends also naturally affect the shape and integration of the Superfund contracting program. Although it is expected that the US Army Corps of Engineers and the Bureau of Reclamation will continue in their currently defined roles, other trends such as those mentioned above may generate changes in the kinds of contract support the Superfund program will need. Additionally, the Comprehensive Environmental Response, Compensation and Liability Act as amended in 1986 expires in 1991 and the strategy must be flexible to accommodate any changes generated during the reauthorization process.

As these trends shape the future, it is also expected that the EPA Regions will continue to have a growing role in contract management and that there will be a continuing need to cultivate expertise in these offices.

## Strategy Objectives

The analysis of program direction led to the establishment of certain objectives for the strategy. The strategy would:

- o continue to provide capabilities to conduct rapid response
- o be flexible to respond to changing budgets and priorities
- o emphasize integration of program areas (e.g., enforcement, remedial, removal) into "one program"
- o phase-in implementation to avoid disruption of ongoing program efforts
- o continue to decentralize management of contracts to the Regional offices to the extent practicable
- o maintain the role of the US Army Corps of Engineers and the Bureau of Reclamation.

A separate evaluation of the role of Headquarters support contractors was conducted in addition to the development of the long-term strategy. Recommendations were made to bring certain functions in-house and other functions were identified as sensitive. These sensitive tasks would require scrutiny and attention to oversight.

The analysis of contractor support to Headquarters was expanded by assessing contractor support to all Superfund contracts (Appendix 3). The analysis ranks Superfund contractor work in terms of its relationship to the decision-making process and the perception of overdependence. Data on contractor labor hours, contractor skills, and contract funding were analyzed to determine the number of FTEs required to do the same level of work in-house.

The analysis indicated that the Superfund work being performed by our contractors is legal, appropriate, and within the scope of OMB guidance on contracting. If a decision were made to bring all contractor work in-house, EPA would be required to recruit and fill approximately 3,000 new positions. Because of the tremendous resource implications, a recommendation was made to maintain the same level of Superfund contracting while strengthening contracts management through increased training, clear policies and procedures, and increased management attention.

## Key Issues

The Agency identified key issues to examine during the development of the strategy. These issues included the evaluation of: 1) the contracting approach which would best support the "one program" goal of the Superfund Management Review, 2) contracting approaches which would provide flexibility to respond to fluctuating budgets and program uncertainties, 3) the optimal numbers of contracts which can be effectively managed given current trends and directions, 4) various methods or efficiencies to reduce duplication of efforts or handoffs, 5) contract types for effectiveness, 6) the roles of contractors in the Superfund program and the skills and expertise needed to serve the program, 7) the most effective means to increase competition, and 8) the need for coordination with other agencies and programs contracting efforts.

## II. DEVELOPMENT OF STRATEGY

In January 1989, the Office Emergency and Remedial Response (OERR) and the Procurement and Contracts Management Division (PCMD) began to evaluate the need for a long-term contracting strategy for Superfund. Subsequent to this meeting and the issuance of the Superfund Management Review, a task force was formed with representation across the ten Regional offices, the enforcement, remedial and removal programs, the Environmental Services Divisions and Headquarters and Regional contracting offices. The task force was chaired by the Contract Operations, Review and Assessment Staff (CORAS) of OERR. Multiple task force meetings were held which evolved into the following approach.

### Process/Approach

The initial evaluation performed by the task force included the development of a summary of the evolution of the Superfund contracting program to date (see Appendix 2) and the expectations for future program direction as discussed earlier in this document. With the summary of the program's evolution and its expected direction, the task force began to focus on the key issues to be evaluated in the strategy (see Section I).

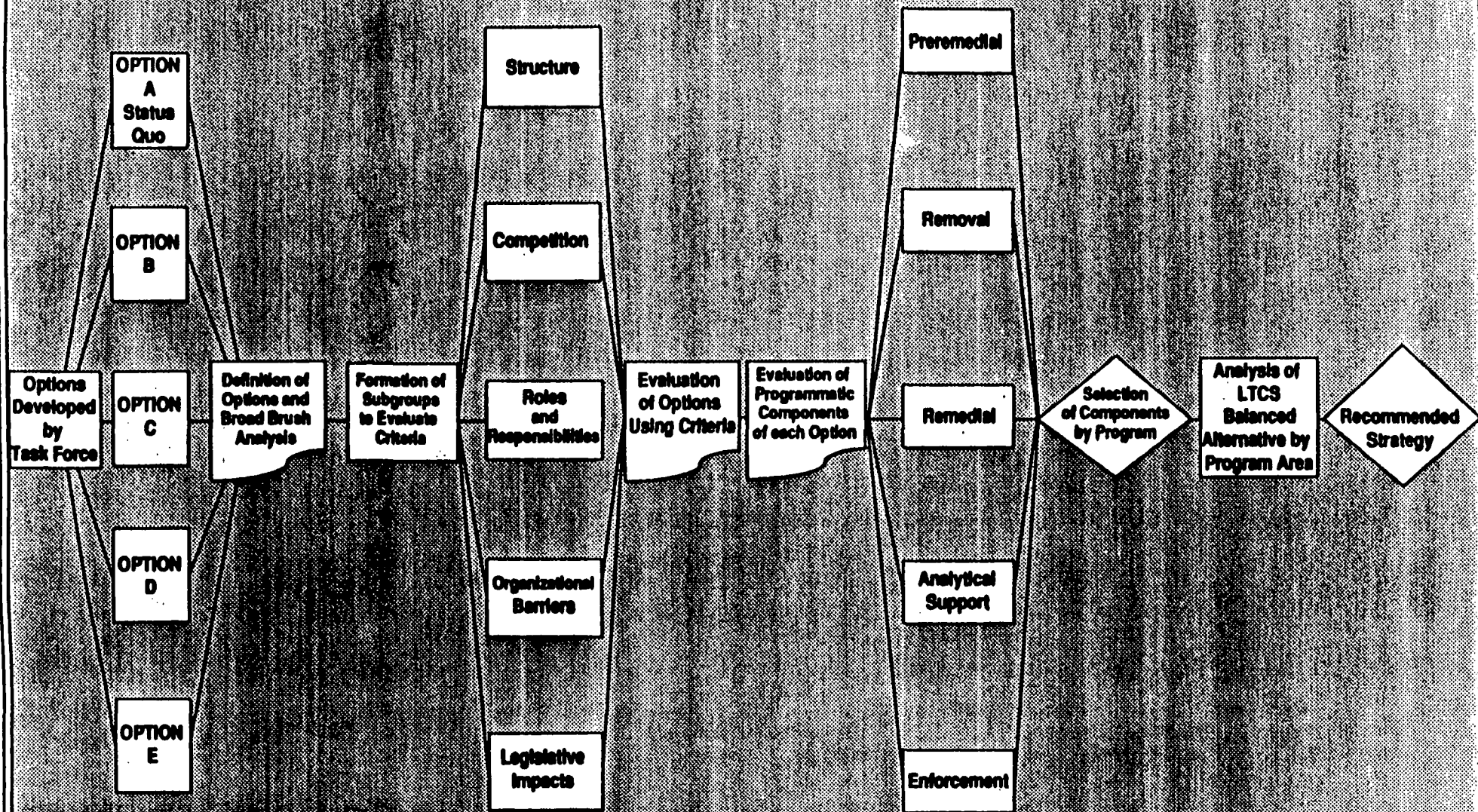
The task force then developed options which would be evaluated in light of the key issues identified. (The process evolved as detailed in the attached flowchart). Five subgroups of the task force were formed. These groups were to evaluate the optional contracting approaches comparatively within their areas of concentration. The five key subgroups were: structure, competition, roles and responsibilities, organizational barriers and legislative impacts. In conducting the comparative analyses of Options A-E, the subgroups found fifteen evaluation criteria which shaped the recommendations of the groups. Section III of this document will more fully summarize the findings of these subgroups.

As the final steps, the task force then took a fresh look at the options by program area (e.g., removal, remedial, enforcement) and recommended the advantageous components of each individual option to be assembled into a final alternative. This alternative balanced the needs of the program areas and the evaluation criteria (see additional discussion in Section IV).

The next steps for the task force will involve development of a plan for implementation. This plan will phase-in procurement of new contracting structures as the existing ones expire to avoid disruption of any activities.



# Strategy Planning Approach



### III. ANALYSIS OF OPTIONS

The task force developed four optional contracting approaches in addition to the status quo (see attached charts of Options A-E and Appendix 4). The options were compared across program areas to determine commonalities and differences within those areas (see chart on pages 16-18). On the issue of decentralization of the Contract Laboratory Program (CLP), it was determined that a separate workgroup would fully analyze this issue and that only one option, E, would illustrate this as a possibility. Any final determinations on the CLP will be married to the long-term strategy during implementation.

The fifteen evaluation criteria evolved from the analyses conducted by the five subgroups: structure, competition, roles and responsibilities, organizational barriers and legislative impacts. The attached matrix illustrates the relative ranking of the options within each criterion as decided by the subgroups and the full task force (page 15). The criteria are arrayed in order of relative importance -- the highest priority criteria are the first five; the second group of five are medium priority; and the last five were considered by the task force to be of lowest priority. Values were assigned to the three categories: highest priority items receiving a value of three per weighted point, medium priority items receiving a value of two, and low priority criteria receiving a value of one. Option D received the highest total in ranking the proposed options.

The findings of the individual subgroups are summarized in the following sections.

#### Structure

The first subgroup, structure, analyzed the types, EPA resources, program management costs, sizes and numbers of contracts associated with the individual options. Several key assumptions affected these analyses. The baseline size and numbers of contracts associated with each option were generated on the basis of current budget assumptions for funding and numbers of activities (e.g., removal starts, RI/FS starts). Flexibility for changing priorities and funding would be provided via the exercise of options to increase these baseline amounts. Program management costs were estimated based upon historical data (negotiated or actual amounts) for the activity types as contracts are structured currently. The workload model used to generate the necessary estimates of EPA resources was based on current budget assumptions for numbers of activities and estimates associated with contract workload (e.g., numbers of work assignments, technical direction documents, etc.). The full supporting documentation for these analyses are available by requesting Appendices 5-8. It was determined that a full analysis of decentralization of the Contract Laboratory Program

would be conducted by a separate workgroup. Only Option E presented data for illustration purposes on this issue.

The primary conclusions of the structure subgroup were that the fewest contracts were required to support Option E because it included the decentralization of the Contract Laboratory Program. Many of the functions of the Sample Management Office and the actual laboratory analyses (both special analytical services and regular analytical services) were integrated into the response action contracts structure. The independent laboratory contracts no longer would be used. The second lowest number of contracts were needed to support Option D (see Appendix 5).

Program management costs would remain relatively stable across all the options because, in the analysis, the workload (numbers of activities undertaken) did not change by option. This was done only to compare scenarios across options. Workload may actually fluctuate across the years. The task force expected that certain combinations of activities (e.g., FIT and TAT) would yield program management efficiencies. Additionally, flexibility would be provided by combining certain key functions and therefore, responsiveness to fluctuating budgets and program uncertainties would be increased.

The types of contracts would remain, in the majority, cost reimbursed with additional opportunities for fixed price contracts where specifics within the statement of work were well defined. In the main, however, the uncertainties associated with site work dictate that most activities must be performed on a cost reimbursed basis. Regarding EPA resources the status quo and Option E generated the need for the highest number of EPA resources (207 FTE and 205 FTE respectively). Options C and D required the fewest (189 FTE and 176 FTE). However, these numbers vary depending upon the range in the numbers of contracts and do not reveal wide differences in the needs for resources regardless of the option selected.

#### Competition

The competition subgroup analyzed the marketplace and the effects of options on increasing competition, decentralization, the number of handoffs generated by the options and the effects of the options on the competitive environment for small businesses and small and disadvantaged businesses (see Appendices 9-11). The analyses illustrated that Option B, very closely followed by Option D was the best for the competition subgroup. Option B presented the highest number of contracts and thus created the most opportunities for competition and small business participation. Option E created the fewest handoffs.

### Organizational Barriers

The organizational barriers subgroup examined the effects programmatically, as well as organizationally of the options. In addition, they examined the duplication of effort between Headquarters and the Regions presented by the options and the policy and procedural effects of the options. With regard to organizational impacts, Option B presented the fewest effects by crossing fewer organizational lines within contracting structures. Option E was determined to be the best with regard to programmatic effects (see Appendix 12). In analyzing the effects on policies and procedures, it was determined that all options including the status quo will require major revisions and changes over time. Option B closely followed by Option D presented the least duplication of effort and also was found to effectively reduce opportunities for conflict of interest (see Appendices 13-15).

### Roles and Responsibilities, Legislative Impacts

The final two groups, roles and responsibilities and legislative impacts also analyzed the effects of the options. As a result, it was determined that the significant programs under development by the Department of Energy and the Department of Defense might affect the competitive environment for EPA contracts. As a consequence, an interagency committee was established to share information on contract strategies. The legislative subgroup examined three key issues: the effects on the options of Brooks Bill, the effects on the options of the Davis-Bacon Act and the effects of the definitions of OMB Circular A-120 on the options. Three of the options, E followed closely by B and C were the least affected by these issues (detailed analysis may be found in Appendix 16).

**OPTION A  
STATUS QUO**

**Headquarters  
National  
Contracts**

**Emergency Response  
Cleanup Services  
Zones I & IV**

**Technical  
Assistance  
Teams**

**Environmental  
Services Assistance  
Teams  
(ESAT)**

**Field  
Investigation  
Teams**

**Contract Laboratory  
Program  
(CLP)**

**EPA  
Regions**

**Alternative Remedial  
Contracting Strategy  
(ARCS)  
Regions 1 - 10**

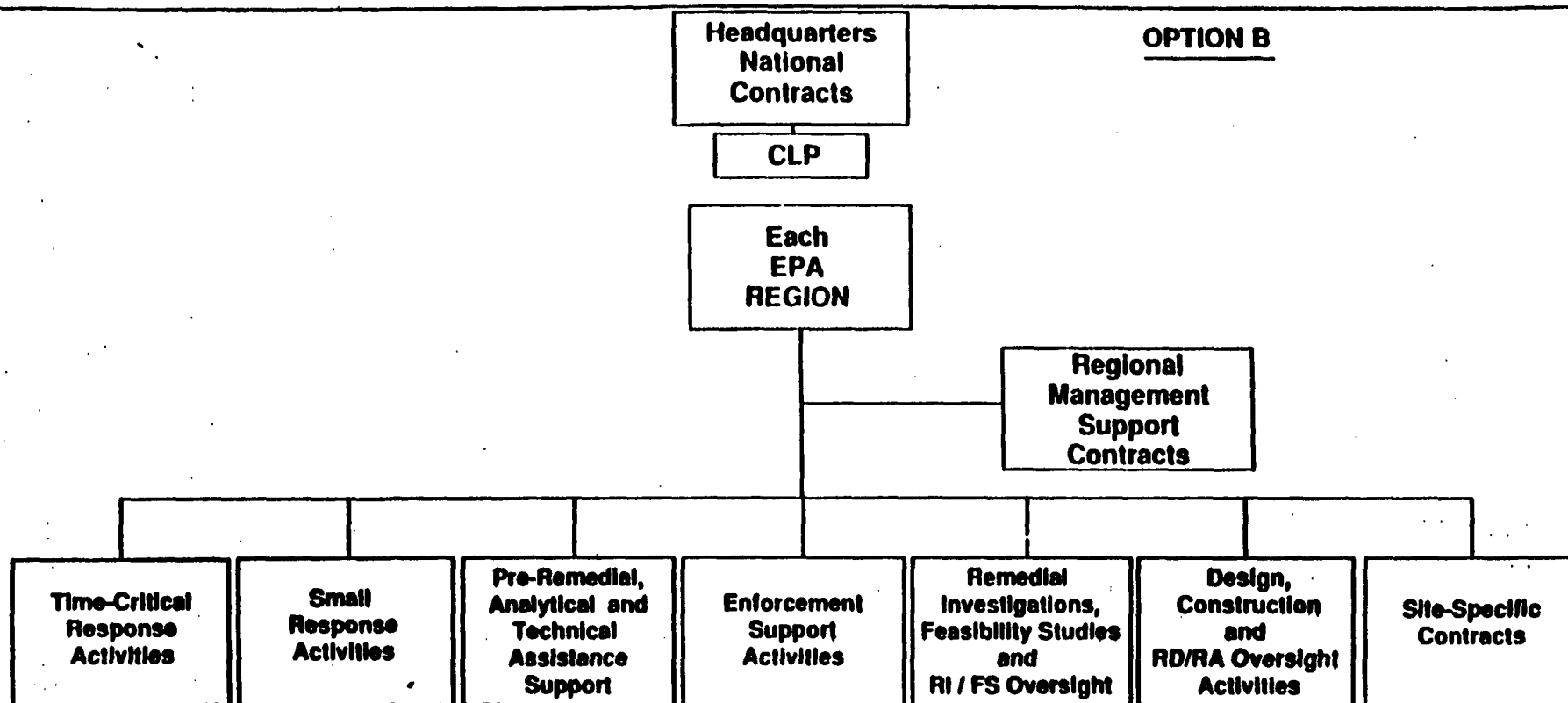
**Regional  
Emergency Response  
Cleanup Services  
Regions 2, 3, 4, 5**

**Zone  
Emergency Response  
Cleanup Services  
Regions 4 & 5**

**Site-Specific  
Regions 2, 4, 5, 7**

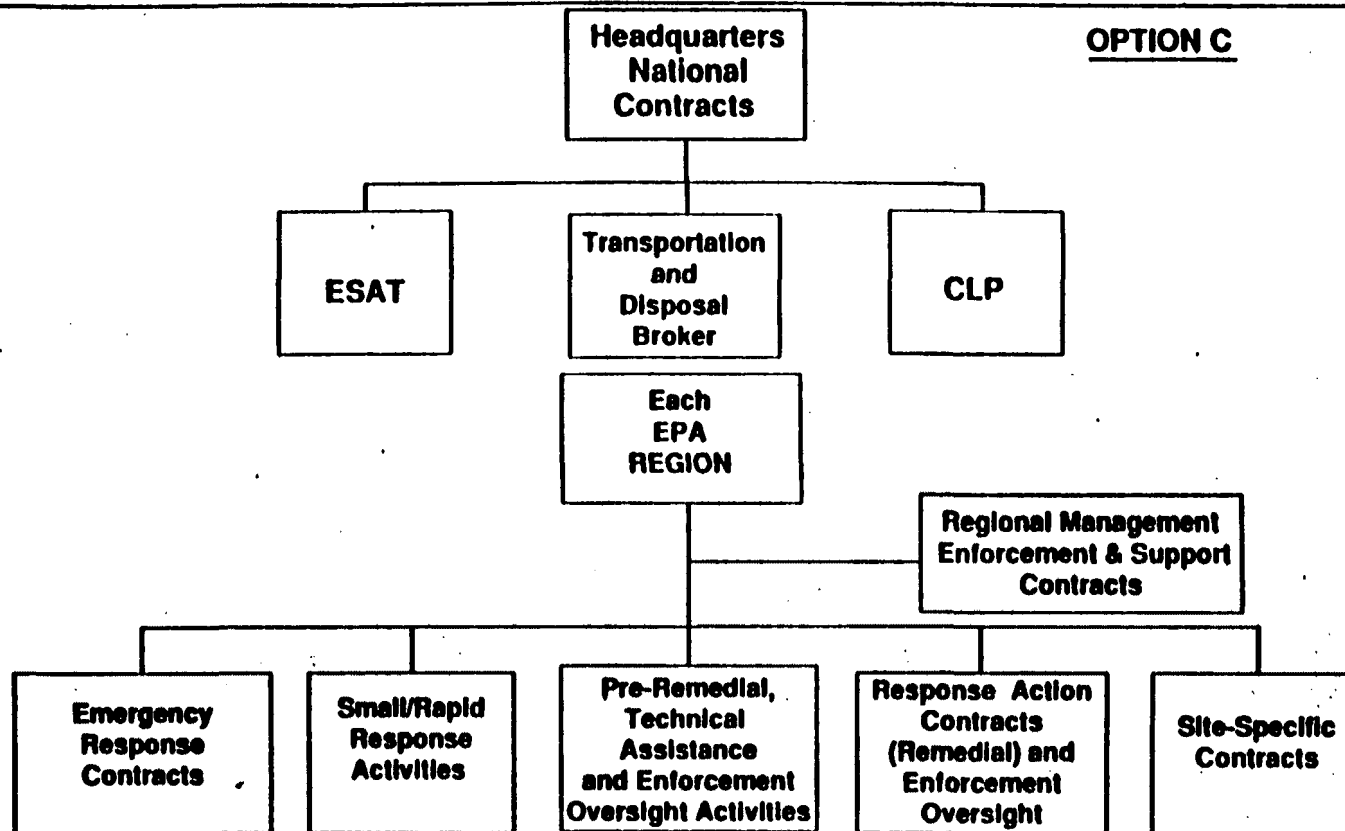
**TES  
Regions 1 - 10**

**OPTION B**

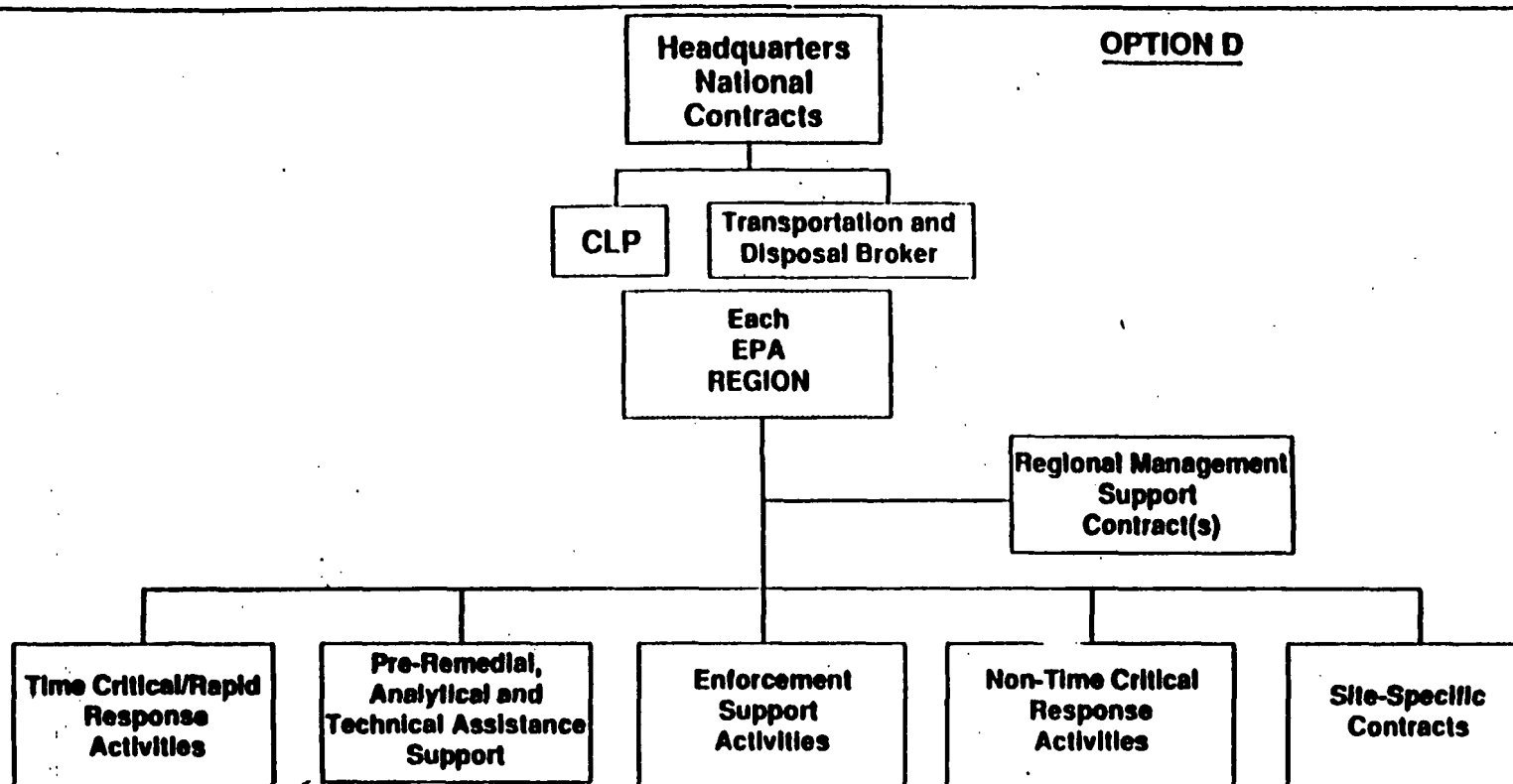


- Separates removal support into two contracting structures (Time-Critical Response Activities and Small Response Activities).
- Provides rapid response capability for remedial program (Small Response Activities).
- Combines dedicated team programs (TAT, FIT, ESAT) into one program.
- Creates separate contract(s) for litigation support, responsible party searches, and administrative record support.
- Separates RI/FS and RD/RA activities while integrating enforcement oversight into each area.

**OPTION C**

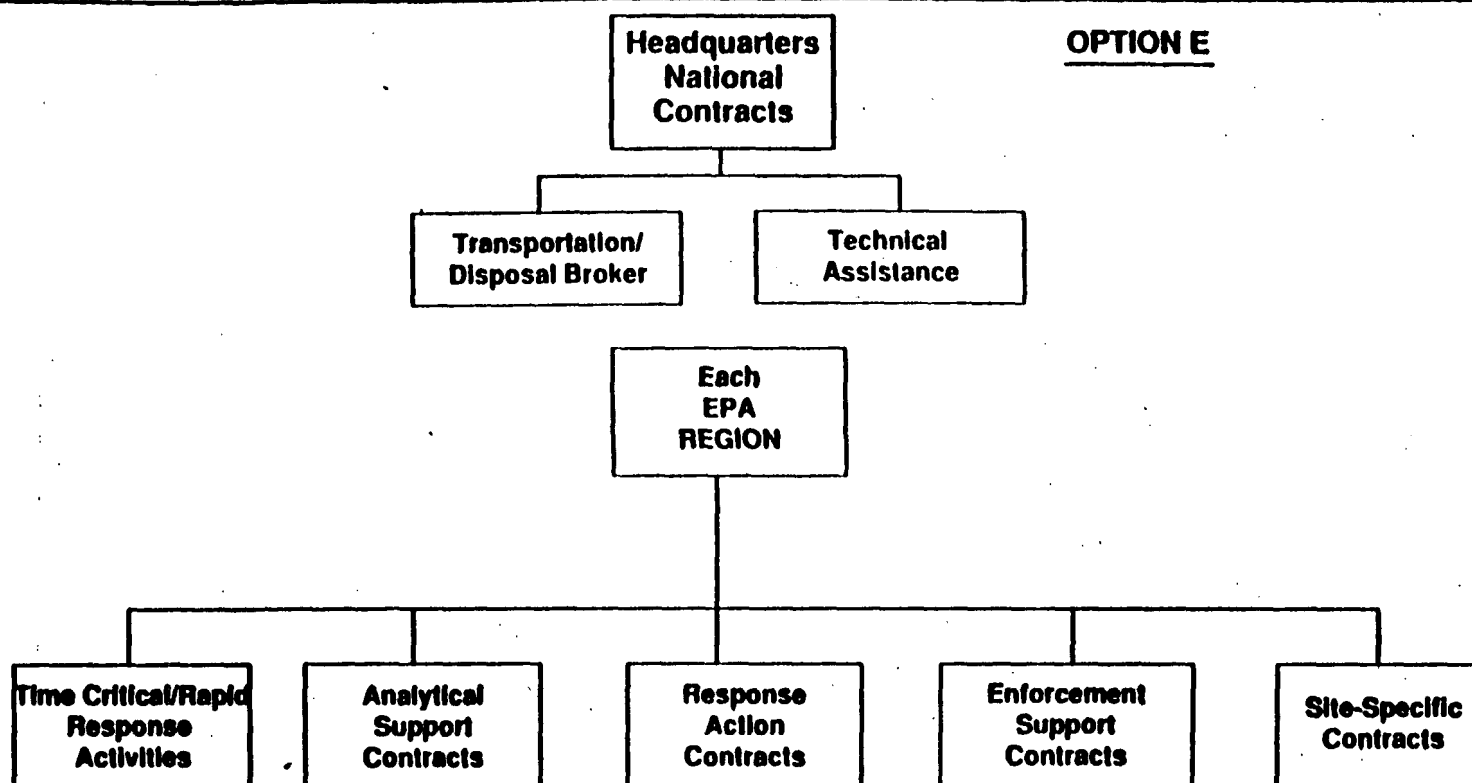


- Creates national broker for Transportation and Disposal Services.
- Separates classic emergencies from other removal actions.
- Combines removal time-critical and rapid remedial response activities.
- Combines two dedicated team programs (TAT, FIT) and enforcement oversight activities into one program for removal and pre-remedial activities.
- Maintains remedial approach (ARCS) for RI/FS, RD/RA including enforcement oversight.



- Creates national broker for Transportation and Disposal services.
- Combines all removal and remedial rapid response functions.
- Combines dedicated team programs (TAT, FIT, ESAT) into one program.
- Creates separate contract(s) for litigation support, responsible party searches, and administrative record support.
- Non-time critical removals, remedial and enforcement oversight activities combined into one contracting program.
- A variant of this option would be to keep classic emergencies as a separate contract program or to place pre-remedial activities into non-time critical responses.





- Combines SMO and ESAT functions for each region.
- Rapid Response is classic emergencies, time-critical removals and rapid remedial response.
- TAT is unchanged including removal laboratories.
- Response Action contractors provide preremedial, RI/FS, RD/RA, enforcement oversight, laboratories for preremedial and remedial and nontime-critical removals.

# Analysis of Options by Evaluation Criteria

Evaluation Criteria		OPTION A	OPTION B	OPTION C	OPTION D	OPTION E	Recommended Strategy
Highest Priority	1. Integrated "One Program"	1	2	3	4.5	5	4.5
	2. Flexibility	2	1	2	4	4.5	4
	3. EPA Resources	4.5	4.5	4.5	5	4.5	4.5
	4. Promotes Decentralization	1.5	5	4.5	4.5	2	5
	5. Increases Competition	2	5	1	3	2	2
<i>Multiply by a factor of 3</i>		31.5	52.5	52.5	67.5	57	66
Medium Priority	6. Contract Program Management Costs	5	4	4	4	4	4
	7. Reduces Duplication Between HQ & Regions	2	5	3	4	2	4
	8. Reduces Handoffs	1	1	3	5	5	4.5
	9. Minimizes Organizational Impact	5	5	3	2	2	4.5
	10. Minimizes Programmatic Impact	5	2	3	2	4	2
<i>Multiply by a factor of 2</i>		36	34	32	34	34	38
Low Priority	11. Reduces Numbers of Contracts	1	1	3	3	5	3
	12. Minimizes Conflict of Interest	2.5	5	3.5	4	2.5	4
	13. Minimizes Implementation Efforts	5	2	4	4	3	3
	14. Increases Small Business Participation	1	5	4	4.5	3	4.5
	15. Minimizes Legislative Impact	5	3	3	2	4	3
<i>Multiply by a factor of 1</i>		14.5	16	17.5	17.5	17.5	17.5
<b>Ranking Totals</b>		<b>82.0</b>	<b>102.5</b>	<b>102</b>	<b>119</b>	<b>108.5</b>	<b>121.5</b>

Key

Ranked 1 to 5:

5 = Best Meets Criterion;

1 = Least Adequately Meets Criterion

# Long-Term Contracting Strategy Options



Option A

Option B

Option C

Option D

Option E

## Remedial

ARCS

RI/FS and  
Enforcement  
Oversight

RD/RA and  
Enforcement  
Oversight

RI/FS,  
RD,  
RA,  
Oversight,  
NTC  
Removals

RI/FS,  
RD,  
RA,  
Oversight,  
NTC  
Removals

PA/SI, RI/FS,  
RD, RA,  
Oversight,  
NTC  
Removals  
and Sampling  
Analysis

Note: Rapid Remedial Response under Removal Program

## Enforcement

Support

PRP Oversight

TES

Enforcement  
Support

Enforcement  
Support  
With Regional  
Management

Enforcement  
Support

Enforcement  
Support

Note: PRP Oversight moved to Remedial Program

# Long-Term Contracting Strategy Options



RG Managed



HQ Managed

Option A

Option B

Option C

Option D

Option E

Preremedial

FIT

Combined with  
TAT and ESAT

Combined with  
TAT

Same as B

Combined with  
Remedial

Removal

Technical Assistance

TAT

Combined with  
FIT and ESAT

Combined with  
FIT

Same as B

Same as A

Classic Emergencies  
(CE)

Zone ERCS

CE

CE

CE

CE

Time-Critical  
Response  
(TCR)

and

and

TCR

TCR

and

and

TCR

TCR and  
Rapid Remedial  
Response

Rapid Remedial  
Response

Rapid Remedial  
Response

Non-Time Critical  
(NTC)

Regional ERCS

NTC and  
Rapid Remedial  
Response

Note: NTC combined with Remedial Response

# Long-Term Contracting Strategy Options

 RG Managed  
 HQ Managed

Option A

Option B

Option C

Option D

Option E

**Analytical  
Support**

ESAT

Combined with  
TAT and FIT

Same as A

Same as B

Analytical  
Support

SMO/CLP

Same as A

Note: Sampling  
Analysis done by  
RAC Contractor

**Regional  
Management  
Support**

Regional  
Management  
Support

Regional Mgmt.  
Support w/  
Enforcement  
Support

Same as B

**T & D Broker**

Transportation  
and Disposal  
Broker

Same as C

#### **IV. PROGRAMMATIC ANALYSIS OF THE LONG-TERM STRATEGY (LTCs) TASK FORCE'S RECOMMENDED ALTERNATIVE**

The task force considered the findings of each subgroup's analysis and determined that each option should be evaluated by program area (see chart pages 16-18). The benefits of each and change were weighed against the status quo using the evaluation criteria developed for the options. Components were chosen by program area and were selected as the balanced approach to best serve that program area without creating negative effects on the other program areas. These components were selected to adequately meet the evaluation criteria and to effectively integrate responses to meet the "one program objective" as well as to provide flexibility for changing priorities and budgets. Many of the components of the highest rated options, particularly D, have been adopted into the recommended alternative. The following sections explain the analysis that was performed by program area and the selection of the components which compile the recommended strategy (see chart pages 24-28). The comparative matrix on page 15 illustrates that the recommended strategy achieves a balance of all of the criteria. While it does not achieve the highest ranking in each of the criteria, overall it does rank highest amongst all proposed options. The chart on the last page of this document (29) illustrates the final components which make up the task force's recommended strategy.

## Preremedial

Strong support was voiced by the task force to combine the Technical Assistance Team (TAT) functions of the removal program with the preremedial and to decentralize this combination to the Regions. This recommendation would reduce the handoffs between the removal and preremedial programs and would promote decentralization. In addition, these combinations also serve to integrate the functions into a single vehicle serving the "one program" objective. The site discovery, inspection and removal assessment activities could be integrated and lead to recommendations for early actions at Superfund sites to mitigate immediate risks. This may also lead to sites being fully cleaned up before they need to be ranked for the National Priorities List. The final combination with TAT would enhance competition and opportunities for small businesses by creating smaller regionally-based contracts.

The pending issue of the recompetition of the Field Investigation Team (FIT) contracts led the task force to evaluate interim approaches as well as the final structure of the preremedial component. Several representatives advocated merging preremedial functions with the remedial as an interim approach to avoid the necessity for recompetiting the current FIT contracts. Some Regions strongly preferred a continuation of the current FIT approach until implementation of the long-term strategy. Because of the desire to use existing capacity of the remedial contracts (Alternative Remedial Contracting Strategy (ARCS) contracts), a desire to avoid duplicate payments of program management costs, the need to save resources rather than hold a competition for a short-term preremedial contract and the continued desire for decentralization, the task force agreed that use of the ARCS contracts for preremedial functions would be appropriate until an orderly transition to the merger with the TAT could occur. Procedures will be developed to ensure that the ARCS provide the same capabilities as the current FIT (e.g., rapid response).

## Removal

The TAT component determined to be the most balanced was a structure which would create regional contracts. The Regional TAT contracts will be phased-in and merged with the preremedial contract function. This component enhanced opportunities for competition and small business participation by creating smaller regionally-based contracts. It continued to support the Superfund Management Review initiative of mitigation of immediate risk and rapid response at Superfund sites by the continuation of 24-hour per day dedicated support for emergencies. Few organizational effects will result and those that do will affect less than half of the existing entities. The current contract management infrastructure in the Regions will be easily adaptable to managing regionally-based contracts. The primary negative effect of this component was the increase in the number of

contracts to be managed. However, the assets such as enhanced competition and decentralization were determined to far outweigh the one drawback.

The component serving removal cleanup work is a continuation of the current strategy to decentralize the Emergency Response Cleanup Services (ERCS) contracts. It integrates rapid remedial response capabilities into the contract structure promoting an integrated "one program approach" for all types of time critical activities and reduces handoffs between removal and remedial activities. Competition is enhanced by creating more smaller, regionally-based contracts and this also provides more opportunities for small business participation. In addition, post-award competition is enhanced by creating multiple contracts within the regions. This component also reduces the double layer of management in the current status quo contracts, both Headquarters and Regions, to a single layer of Regional management. The baseline size of these contracts will be structured around the current funding levels; however, flexibility will be enhanced by creating multiple options to anticipate any increases in program growth. In additions, a common component across Options A-E was site-specific contracting. This component will meet many of the evaluation criteria such as enhanced competition and continued decentralization while presenting a cost-effective means to provide specialized services to support primarily the removal program with some support to the remedial and enforcement programs.

#### Remedial

The component recommended by the task force integrated remedial, enforcement oversight and nontime-critical removal activities into an integrated and flexible single contracting structure. This component was common to several options and was considered to be highly desirable because of the flexibility, enhanced post-award competition and the simplification to a single layer of regional management. In addition, preremedial activities are being added to this component as a pilot effort. The potential complex teaming arrangements due to the very broad scope of the contract and disincentives to small business participation because of the large size and management requirements were considered to be more than offset by the advantages. The task force also determined that this component might reduce handoffs by allowing a broader range of activities by a single component and it would also provide incentives for improved performance incentives through the process of post-award competition.

#### Enforcement Support

The uniform consensus of the task force across all options was that specialized contracting support would be most effective for certain specific enforcement support functions such as



potentially responsible party (PRP) searches and litigation support. More specialized firms could be procured thereby minimizing opportunities for conflict of interest. This would also create opportunities for small business and 8(A) firms to compete for these contracts. A recommendation was made to separate the current RCRA support of the Technical Enforcement Support contracts into a new procurement at the time of the development of the Superfund contracts.

#### Regional Management Support

Many task force members stated that administrative type support was uniformly needed across the programs. These contracts would not be response action-type contracts but would be more limited in the scope of their functions. They would further decentralization, competition and small business opportunities by their small size and regional base. Conflict of interest considerations would also be minimized by the fact that smaller, more specialized firms would be more likely to compete to perform these functions.

#### Analytical Support

The task force evaluated multiple options to combine the current Environmental Assistance Team (ESAT) contracts with TAT or TAT/FIT or with certain Sample Management Office functions. However, the advantages presented by these approaches appeared to be outweighed by the unique functions supplied by the ESAT contractor. The actual work performed by the contractors did not duplicate or overlap with functions currently being performed by other contract entities. However, the task force recommended that there was no obstacle to continue further decentralization of the ESAT functions. Therefore, the recommended component for analytical support would be regionally-based. The smaller entities would enhance competition and opportunities for small business participation and also would be flexible to provide response to specific regional needs. Opportunities for conflict of interest would be diminished by maintaining a third party entity to provide independent data review. Despite the increase in actual numbers of contracts to manage, it appeared that regional analytical support contracts would be the most effective components. The considerations for combining Sample Management Office functions will be evaluated in the independent review being conducted of the Contract Laboratory Program.

#### Transportation and Disposal Broker

This component grew out of the dissatisfaction of regional personnel with the current prime contractors in making arrangements for transportation and disposal of hazardous materials and the difficulties encountered in assuring regulatory requirements are being met. The separation of this function from the major prime contractors was seen as a way to minimize delays in making disposal arrangements. One of the primary concerns,

cost of such functions, may be minimized under this component by obtaining specialized services, making the process consistent across the Regions and the potential for economies of scale. One issue associated with this component is that the number of disposal facilities is currently quite limited and they exercise a large degree of control over the market for disposal. The economic benefits and viability of this component remain less well defined than in the other components of the recommended alternative. Additional study and definition is required in order to determine the structure and cost-effectiveness of the broker concept. However, given the dissatisfaction with the current system, the task force wanted continued exploration of this structure.

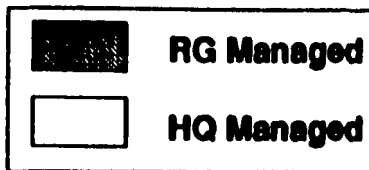
### Community Relations

Although the task force gave serious consideration to the development of a separate component for supplying of community relations support, the final recommendation remains that an evaluation of the new contracts be conducted. Because the new response action contract function will provide continuity of prime contractor control, the previous problems due to handoffs to multiple community relations subcontractors at different phases of work may be diminished. This evaluation will determine whether the handoff problem experienced with multiple contractors performing site work and PRP oversight will be diminished by the use of the response action contract concept for all remedial activities.

### Final Recommendation

The compilation of the components of the final recommendation are contained in the attached chart. The alternative balances the needs of the programs and the objectives of the strategy. The CORAS staff and the task force will develop a plan within the next few months to phase-in implementation without serious program disruption.

# Recommended Long-Term Contracting Strategy



## Status Quo

## Task Force Recommendation

### Preremedial

**FIT**



Recommends that the existing FIT contracts be combined with the TAT contracts as a long-term option. These contracts would be decentralized to the Regions. In most cases, the recommended structure would be two separate teams under each contract to ensure that priorities of each program element (preremedial and removal ) would be met. Zone structures would be considered depending upon individual Regional workloads. ARCS will support FIT work in the interim.

### Removal

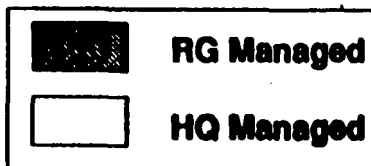
**Technical Assistance**

**TAT**



As stated above, recommends decentralized Regional contracts combined with the FIT.

# Recommended Long-Term Contracting Strategy



**Status Quo**

**Task Force Recommendation**

## Removal

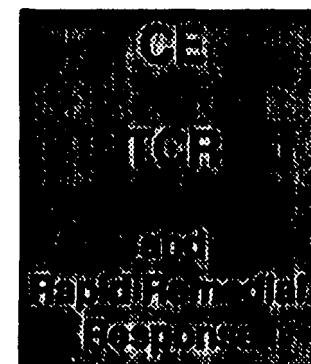
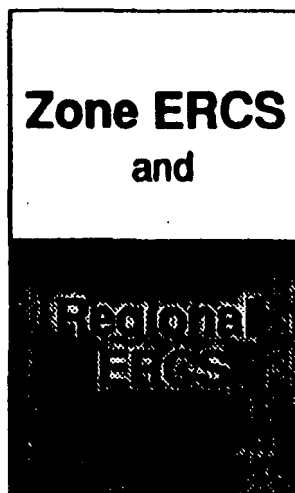
(continued)

**Classic Emergencies  
(CE)**

**Time-Critical Response  
(TCR)**

**NonTime-Critical  
(NTC)**

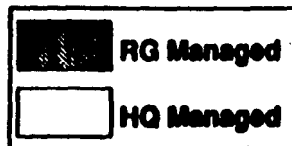
**Zone ERCS  
and**



**Note: NTC combined with Remedial Response**

**Recommends decentralized removal contracts to cover classic emergencies, time-critical response and rapid remedial response. Nontime-critical response moved to the remedial contracts. Recommendation includes, where workload permits, more than one contract per Region to promote competition and to address conflict of interest concerns.**

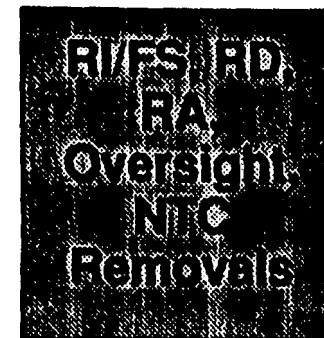
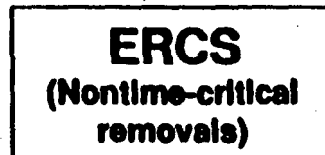
# Recommended Long-Term Contracting Strategy



## Status Quo

## Task Force Recommendation

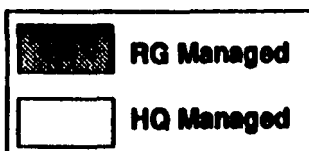
### Remedial



Note: Rapid Remedial Response  
under Removal Program

Recommends continuation of the current ARCS strategy (RI/FS, RD and RA), adding all PRP oversight and nontime-critical removal actions. Rapid response capability for the remedial program would be handled by the removal contracts. The recommendation continues the theory of more than one contract per region to support competition and conflict of interest concerns.

# Recommended Long-Term Contracting Strategy



## Status Quo

## Task Force Recommendation

**Enforcement  
Support  
PRP Oversight**

**TES**

**Enforcement  
Support**

Note: PRP Oversight moved  
to Remedial Program

Recommends smaller, decentralized enforcement contracts to support PRP searches and litigation support. PRP oversight would be moved to the Remedial contracts. OWPE and the Task Force voiced concerns about combining enforcement support with Regional Management Support (e.g., maintaining enforcement focus.) Recommends separate contracts for RCRA enforcement support.

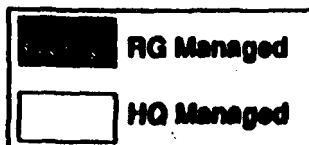
**Regional  
Management  
Support**

**N/A**

**Regional  
Management  
Support**

Recommends that separate Regional management support contracts be provided. Activities would include items such as data entry support, systems management, data tracking, and contract management assistance. Exact scopes of work will need to be determined by individual Regional requirements.

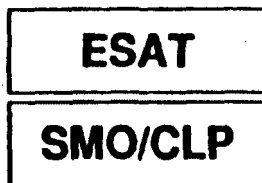
# Recommended Long-Term Contracting Strategy



## Status Quo

## Task Force Recommendation

### Analytical Support



Recommendation deferred pending further study by HSED

Recommends continuation of the ESAT contracts, decentralized to the regions. Zone structures will be considered in accordance with regional workloads. A recommendation on decentralizing the CLP is deferred pending further analysis of pilot efforts currently underway.

### T & D Broker

N/A



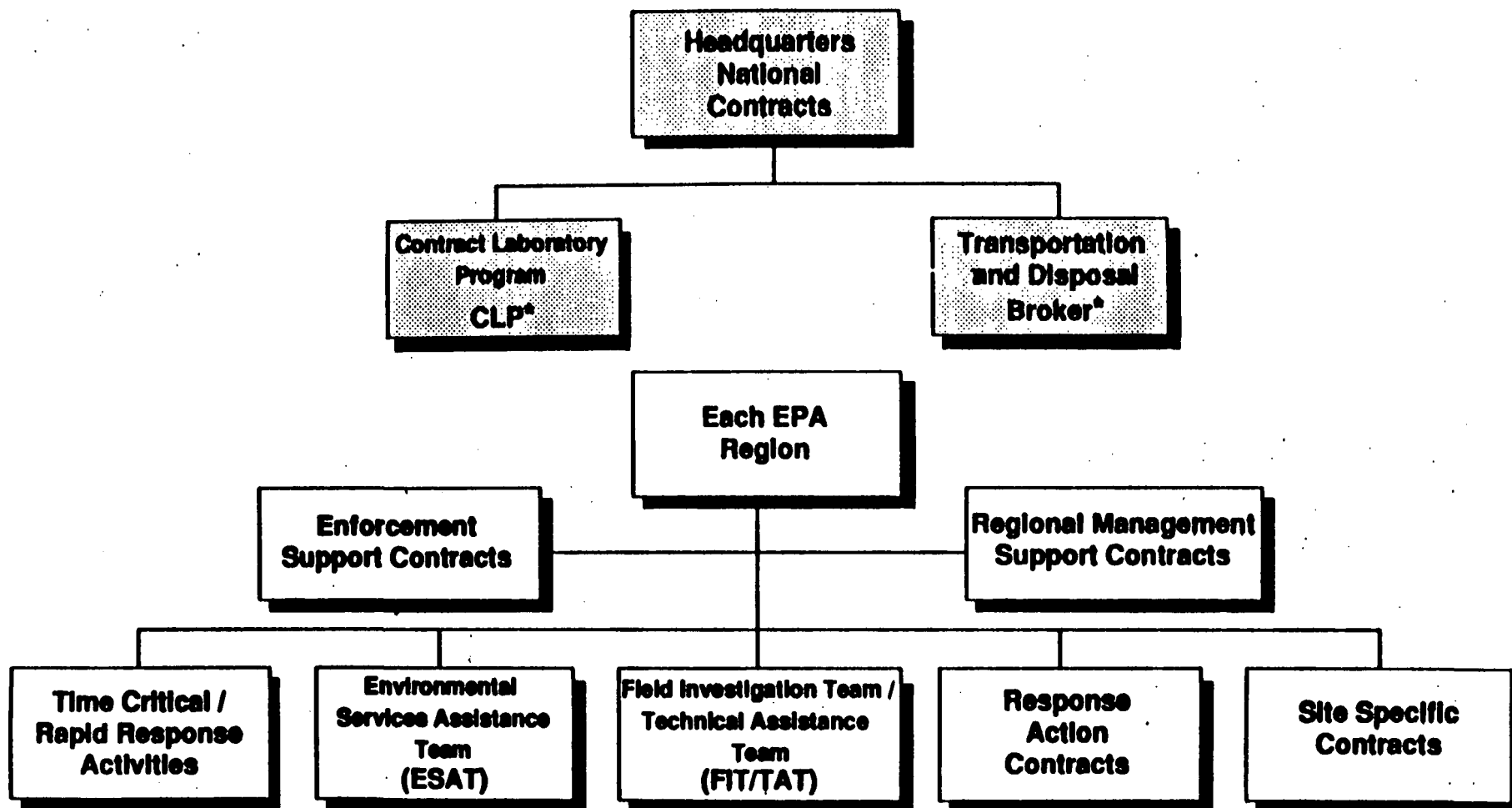
Recommends that a Transportation and Disposal Broker be established. Further study is required to determine the exact requirements and how such a contract might be structured.

### Community Relations

N/A

Recommends that separate community relations contracts not be created. Community relations support would continue to be handled by the removal and remedial contracts.

# Recommended Long-Term Contracting Strategy for Superfund



1. \*Defers decision on decentralizing CLP pending further study.
2. \*Creates concept of national broker for transportation and disposal services. Further evaluation to be conducted.
3. Creates regional contracts for PRP searches and litigation support, and separate regional contracts to provide data entry, management, and administrative support.
4. Combines removal time-critical and rapid remedial response activity.
5. Decentralizes ESAT to Regions.
6. Combines two dedicated team programs (TAT, FIT) into one program for removal and prere Remedial activities.
7. Integrates enforcement oversight of PRP lead remedial activities into response action contracts for RI/FS, RD/RA and non-time critical removals.