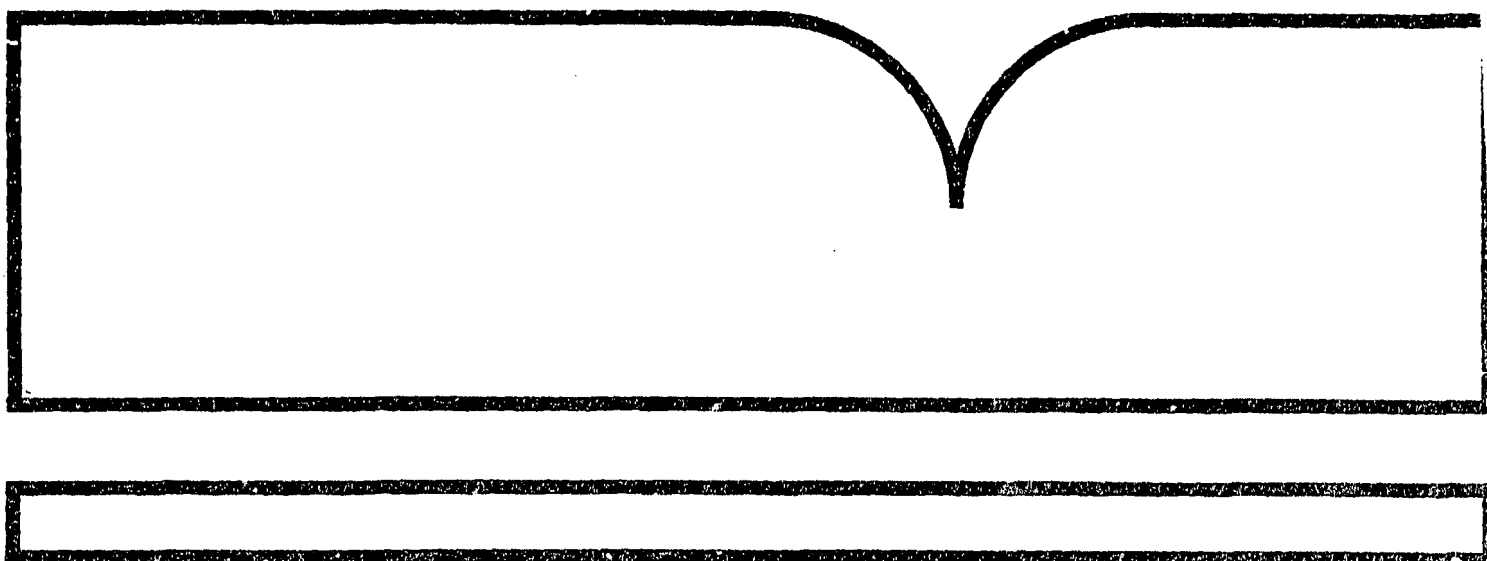


Superfund Response Action Contracts

(U.S.) Environmental Protection Agency, Washington, DC

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United States  
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Agency

Office of  
Solid Waste and  
Emergency Response

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# Superfund Response Action Contracts

Office of Emergency and Remedial Response  
Hazardous Site Control Division, 5203G

Quick Reference Fact Sheet

The Response Action Contracts (RACs) are the U.S. Environmental Protection Agency's (EPA) next generation of contracts to provide professional architect/engineer services to support response planning and oversight of activities under the Comprehensive Environmental Response Compensation and Liability Act of 1980 (CERCLA) as amended by the Superfund Amendments and Reauthorization Act of 1986 (SARA). These contracts will be procured as the Regions deplete the capacity of their existing Alternative Remedial Contracting Strategy (ARCS) contracts. The purpose of this fact sheet is to provide general information about the RACs and inform the contracting community of the Agency's contracting strategy.

## SERVICES REQUIRED

Services required by the Response Action Contract statement of work include:

- site management;
- remedial investigation and feasibility studies;
- engineering services to design remedial actions;
- engineering evaluation and cost analysis for non-time critical removal actions;
- construction management for implementing remedial actions and non-time critical removal actions, including issuing and managing subcontracts for construction of the selected remedy and engineering services in overseeing construction;
- enforcement support, including oversight of remedial investigations/feasibility studies, remedial design, and remedial action, and negotiation support; and
- other technical assistance, including community relations, sampling and analysis support, and pre-design investigations.

Services may also include technical and management services supporting EPA's coordination and oversight of remedial activities performed by a State, the U.S. Army Corps of Engineers (USACF), or responsible parties identified in enforcement actions.

## SUPERFUND'S LONG-TERM CONTRACTING STRATEGY

The procurement of Response Action Contracts implements the remedial action component of the EPA's

Long-Term Contracting Strategy (OSWER Directive 9242.6-07FS). This strategy prescribes an integrated "one program" approach to enforcement and site cleanup and decentralizes contract management to the EPA Regions to enhance program flexibility and improve contract oversight and cost management. The Response Action Contracts will supplement and eventually replace the Alternative Remedial Contracting Strategy (ARCS) contracts. The RACs also will integrate enforcement oversight and non-time critical removal actions previously performed under the EPA's Technical Enforcement Support (TES) and Emergency Response Cleanup Services (ERCS) contracts, respectively. The Agency expects to reduce handoffs, promote program integration, and give the Regions flexibility to pursue various enforcement options through this one program approach. Award of two or three Response Action Contracts in each Region is anticipated to provide flexibility to respond to potential conflict of interest problems, and to enhance post-award competition based on contractor performance.

## CONTRACT STRUCTURE AND SIZE

The Agency envisions the award of two Cost Plus Award Fee contracts in most Regions. The base period of performance will be five years, with one five-year option period, for a potential contract period of ten years. The Response Action Contract statement of work has two general categories of activities: Program Support and Site Specific Activities. The Regions will use work assignments to issue all work under the Response Action Contracts.

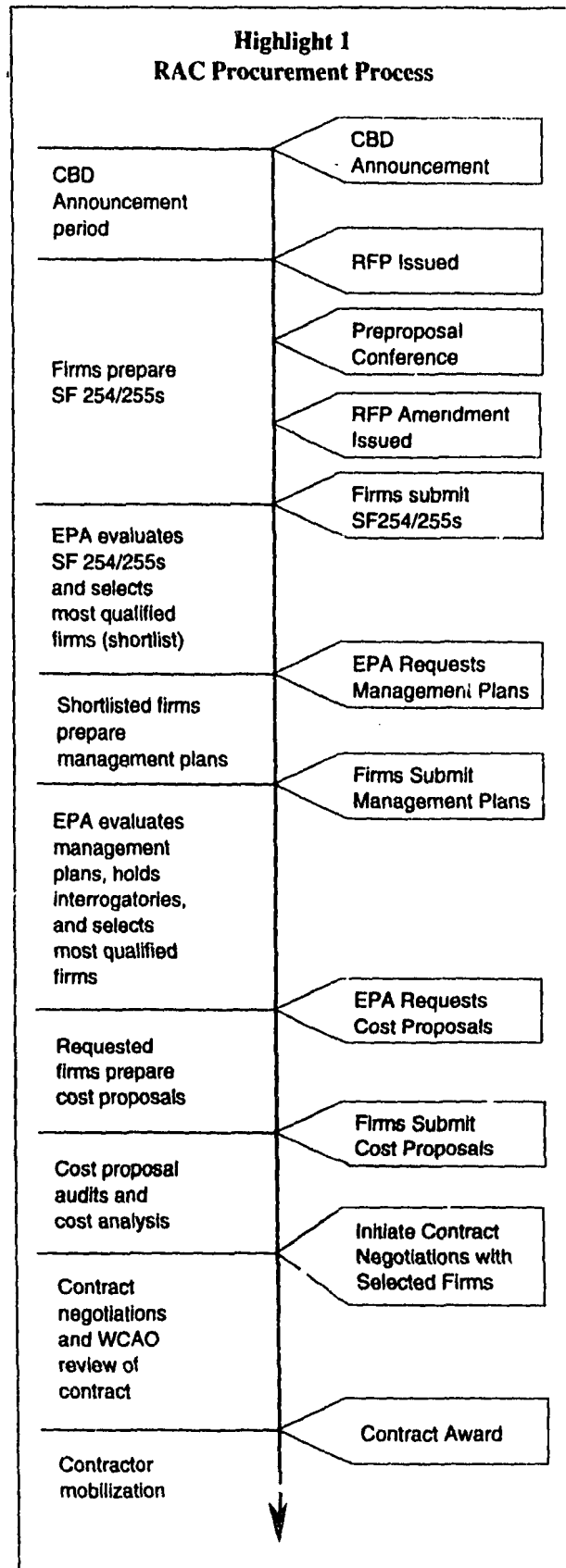
## PROCUREMENT PROCESS

The RACs procurements will be conducted according to Brooks Act procedures. **Highlight 1** depicts the major steps in the RAC procurement process. The RAC procurement process will begin with the submittal of Standard Forms 254 and 255 (SF254/255). The review of the SF254/255 will be based on each firm's demonstrated abilities. These abilities must include:

- adequately staffing the contract with experienced, trained personnel at the levels, disciplines and in the quantities required to fully implement the statement of work;
- accessing resources outside the Region in a timely and responsive manner;
- assuring full implementation of the statement of work over the potential duration of the contract through the degree of Corporate presence in the Region;
- appropriately distributing work assignments and accomplishing workload management among the firm's offices and/or TEAM's members in the most effective and efficient manner practicable;
- proposing key personnel with strong education, technical experience, and management and/or financial experience;
- providing technical, management and administrative support as it pertains to the delivery of Architect and Engineering (A/E) services directly related to the implementation of environmental regulations (i.e., hazardous waste, air, water, wetlands, etc.); and
- effectively and efficiently utilizing resources to control costs, balance program support costs to contract costs, and balance the professional to technical labor mix.

Those firms determined to be qualified based on SF 254/255 evaluation will be requested to submit a management plan and may be requested to submit a response scenario. These submissions will be used by the Agency to discriminate further between the technical qualifications of the firms. Areas to be considered by the Agency in the evaluation of management plans include:

- project organization and support,
- management control systems,
- project/work assignment management, and
- mobilization.



Agency review of response scenarios will be based on each firm's demonstrated abilities. These abilities must include:

- understanding of EPA programs, regulations, requirements, and policies pertaining to accelerating site ranking, investigation, and design and construction activities at sites requiring activities pursuant to the statement of work;
- coordinating technical and management strategies in an effective manner in addressing the scenario;
- applying innovative approaches and methodologies in addressing the scenario; and
- applying cost and time saving approaches to implementing an overall response strategy at the site described in the scenario.

Concurrently with submission of management plans and response scenarios, firms will be required to submit corporate standard operating procedures (SOPs) for:

- conflict of interest (COI),
- quality assurance,
- confidential business information (CBI),
- health and safety, and
- analytical services delivery.

The firms determined to be most highly technically qualified based on the management plan evaluation will be requested to submit cost proposals. After conducting cost proposal review and audits, the EPA will negotiate and award contracts to the selected firms.

Because of the complex nature of the statement of work and detailed instructions for the preparation of SF254/255, a formal Request for Proposals (RFP) will be issued. Firms interested in receiving the RFP should submit their requests in writing to the following address.

Ms. Jewel Carter, Contracting Officer  
Office of Acquisition Management  
U.S. Environmental Protection Agency  
401 M Street, S.W. - Mail Code PM-214F  
Washington, DC 20460  
202-260-9057

## **PROCUREMENT SCHEDULE**

The Response Action Contracts will supplement and eventually replace the ARCS contracts. The RACs also will include enforcement oversight activities previously provided under the TES contracts and non-time critical removal actions previously provided under the ERCS contracts. The Regions will procure RACs as they deplete the capacity of their ARCS contracts. The first round of RACs procurements will begin during 1993.

Additional Response Action Contracts will be procured periodically as Regional needs arise.

## **PREPROPOSAL CONFERENCE**

The Agency plans to hold preproposal conferences for the RAC solicitations. Specific Regional preproposal conference schedules will be included in the *Commerce Business Daily (CBD)* announcement for the Regional RAC solicitation. Registration is required to attend the conference(s). To register, please write to the contracting office listed in the solicitation or call the number indicated in the *CBD* announcement or Region-specific conference brochure.

The preproposal conference format will consist of a presentation by EPA on the Response Action Contract solicitation. Firms may submit written questions prior to or during this presentation. The Agency will respond to selected questions at the conference. Following the conference, the Agency will issue an amendment to the solicitation. The amendment will answer all written questions submitted at the conference and all questions mailed to the contracting officer as directed in the RFP, and will clarify any ambiguities brought to the Agency's attention through written questions.

## **PERFORMANCE (AWARD) FEE PLAN**

This plan describes how the base and performance fee provisions of the Response Action Contracts will be administered.

*Base Fee:* The base fee is a fixed amount that will be paid to the contractor on a provisional basis as work progresses. The base fee compensates the contractor for risk. The base fee will not vary with performance, provided the work is rated at or above "satisfactory." The contractor will include amounts for base fee on monthly vouchers in accordance with "Guide for Preparation of Contractor's Claim for Reimbursement of Costs and Fees under Cost Plus Award Fee (CPAF) Type Contracts," EPA 1900-34A. At the completion of individual work assignments, a Work Assignment Completion Report will be prepared rating the contractor's overall performance for the work assignment. If the rating is "satisfactory" or better, the contractor will retain the base fee; however, if the rating is "unsatisfactory", the base fee will be returned to the government.

*Performance Fee:* The performance fee affords the contractor an opportunity to earn additional fee commensurate with the achievement of optimum performance based upon an evaluation by the Regional Performance Evaluation Board. The performance fee is to motivate the contractor to provide excellence in perfor-

mance of all contract activities. RACs performance fees will be earned and payable for completed work assignments receiving a rating of "exceeds expectations" or "outstanding."

## **PROGRAM SUPPORT (MANAGEMENT)**

The Agency has structured the Program Support (management) component of the Response Action Contracts to include: mobilization, equipment (non-site specific), ongoing technical support, ongoing administrative support, and contract close out. The Regions will periodically issue and negotiate work assignments for these activities. Mobilization and contract close out are one-time activities; other Program Support activities will be ongoing over the period of the contract. The work assignment for mobilization and initial work assignments for ongoing program support activities will be negotiated during contract negotiations prior to award. This approach provides the Regions the flexibility to monitor and control the Program Support costs associated with the Response Action Contracts and complies with the Agency's goal to minimize Program Support costs in Response Action Contracts.

## **TERM-FORM AND COMPLETION-FORM WORK ASSIGNMENTS**

The Federal Acquisition Regulations (FAR) describe two forms of cost reimbursement contracts — completion form and term form. The Response Action Contracts combine term and completion form under one contract structure through provisions that permit the issuance of term-form and/or completion-form work assignments at the Agency's discretion.

The "term form" describes the scope of work in general terms. It obligates the contractor to devote a specified level of effort for a stated time period and is often called "level of effort" (LOE). The obligation of the contractor is to provide a specified number of hours on a "best effort" basis during an agreed-upon time period. The contractor is not obligated to deliver an end product — only to deliver quality hours. Many Superfund contracts are term-form contracts.

For those work assignments that cannot be priced with any certainty, a term-form (LOE) work assignment will be issued stipulating a specified number of labor hours. The contractor will submit a work plan describing the technical approach to the work, a detailed cost estimate, and delivery schedule. To ease work plan negotiations, during contract negotiations the Agency will establish labor rates, escalation factors, overhead, G&A, and any other costs that can be predetermined. These rates will become part of the Response Action Contract for use in work plan costing. These costs,

besides any other costs unique to the work assignment, will be negotiated into an estimated cost and fee for the work assignment.

The "completion form" describes the scope of work by stating a definite goal or target and specifying an end product. This form of contract normally requires the contractor to complete and deliver the specified product (e.g., a remedial design) within the estimated cost of the contract as a condition for payment of fees. If the contractor cannot complete the product within the stated estimated cost, the government may elect to provide the contractor additional funds to complete the work without providing any additional fee. There are also provisions in the contract for "changes" in the scope which may entitle the contractor to more fee. The basic premise is that the contractor is paid a fee for the job. If the job does not change but the contractor overruns the estimated cost, the fee is still for the job and does not change. This approach gives the contractor incentive to complete the job within the estimated cost.

For work assignments that lend themselves to a performance type of specification and can be priced with some, but not complete, certainty, a completion-form work assignment will be issued. Completion-form work assignments will be negotiated and established using the same process as term-form work assignments (described above). If the contractor cannot complete the work assignment within the estimated cost and runs out of money, the government can provide funds to complete the job but will pay no additional fee. If changes to the scope of work occur during the conduct of performance, the contractor can claim a "change" which the Government may or may not negotiate to include a change in the fee.

The Response Action Contracts contain a base quantity for the term-form (level of effort) component of the contract and a dollar ceiling for the completion-form component of the contract. The Regions will determine the distribution of work between the two forms for their specific contracts. When the base quantity and/or dollar ceiling is exhausted, the Region will execute a series of contract modifications as needed to increase contract quantities or dollars. Term-form contract increases are in the form of hours that raise the base quantity. Completion-form increases are in the form of dollars that raise the completion-form ceiling.

## **FOR FURTHER INFORMATION CALL:**

Design and Construction Management Branch  
U.S. Environmental Protection Agency  
401 M Street, S.W. - Mail Code 5203G  
Washington, DC 20460  
703-603-8830