

DEFENSE LOGISTICS AGENCY



DEFENSE ENERGY SUPPORT CENTER

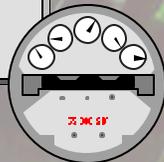
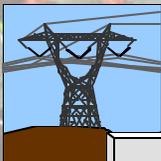


Defense Energy Support Center

FORT JACKSON Columbia, South Carolina Utility Privatization Meeting

Verna Velez & James Campbell
DESC Privatization Team

July 10, 2001





Agenda



- † **Introductions - (1:00 PM)**
 - † **Verna Velez, Contracting Officer**
 - † **James Campbell, Utility Manager**
 - † **Other Distinguished Guests**
- † **Solicitation Conditions**
- † **Review Solicitation**
- † **Required Information/Submittals**
- † **Other Information**
- † **Break - (1:45 PM)**
- † **Question and Answer Period**



Solicitation Conditions



- † Will privatize if
 - † Long term benefit exceeds long-term cost
 - † Solicitation SP0600-01-R-0074 covers
Fort Jackson, South Carolina (electrical,
natural gas, water and wastewater)



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Section B – Supplies or Services and Prices/Costs

† Bundling (B.4)

† Allowed but not required

† If bundling is offered

† Must provide a separate price schedule (B-1 or B-2) for each contract line item

† Service Charges (B.5.2 or B.6.2)

† Fixed Monthly Charge

† Monthly Credit as Payment for Purchase Price



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Section B – Supplies or Services and Prices/Costs

- † Type of Contract –Fixed Price - Price Redetermination - Prospective (B.7)
 - † 1st period is 2 years
 - † Each following period is 3 years
 - † May renegotiate during these periods if warranted



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Section C – Description/Specifications/Work Statement

- † Contains general requirements applicable to all locations (C.3)
- † Commodity is not included
- † Performance Standards - required to adhere at a minimum, to specified industry standards



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Section C – Description/Specifications/Work Statement

- † **Response to Service Interruptions and Contingencies (C.7)**
 - † Procedures and provisions for handling service interruptions in Service Interruption/Contingency Plan

- † **Coordination of Work (C.9)**
 - † Types of Service Requests
 - † Routine and Emergency
 - † Response to Service Requests
 - † Scheduled Utility Service Interruptions



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Section C – Description/Specifications/Work Statement

- † **Environmental Compliance (C.10)**
 - † **Comply with all applicable environmental laws and regulations**
 - † **Accept Installation's spill response procedures, or propose alternative procedures for Government acceptance**



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Section C – Description/Specifications/Work Statement

- † **Upgrades and Renewals and Replacements (C.11)**
 - † **Initial Capital Upgrades Submitted in Proposal**
 - † **Future Capital Upgrades Submitted Under Annual Plans**
 - † **Government does not approve/disapprove proposed upgrades**
 - † **Reimbursement of future upgrades (other than those required to meet regulatory requirements) is at the discretion of the Government**



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Section C – Description/Specifications/Work Statement

-  **Operations and Maintenance (C.12)**
 -  **Establish and adhere to a Quality Management Plan to ensure safe and reliable operation of system**
 -  **Consistent with all applicable laws/regulations and utility-specific attachments (Section J)**



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Section C – Description/Specifications/Work Statement

- † **Operational Transition Plan (C.13)**
 - † **Describes plan for transfer of the utility system**
 - † **Ensures continuous service from the Government to new owner**
 - † **Contractor proposes performance start date**
 - † **Includes detailed joint inventory of facilities, personal property, manuals and records**



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Sections E, F, G, and H – Solicitation Provisions/Clauses

- † Section E - Inspection and Acceptance
- † Section F - Deliveries or Performance
 - † Utility Service Contract Term – 50 years
- † Section G - Contract Administration Data
 - † Contracting Officer's Representative
 - † Submission and Payment of Invoices
 - † Service Charge Adjustment
 - † Unforeseen circumstances will be addressed in accordance with Paragraph G.3 *Service Charge Adjustment*



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Sections E, F, G, and H – Solicitation Provisions/Clauses

- † Section H - Special Contract Provisions
 - † Insurance Requirements
 - † Hazardous Substances
 - † KTR must comply w/all applicable laws and regulations to include CERCLA etc
- † Accounting for Capital Upgrades/Purchase Price



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Sections I and J - Solicitation Provisions/Clauses

† Section I - Contract Clauses Incorporated by Reference and in full text

- † Federal Acquisition Regulation (FAR)
- † Defense FAR Supplement (DFARS)
- † Clauses for non-regulated entities (I.4)
- † Clauses for regulated entities (I.5)

† Section J – Base Specific Utility Specific Attachments

- † Base Distribution System Description
- † Specific Service Requirements
- † Secondary Metering – existing and future



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Sections J and K - Solicitation Provisions/Clauses

† Section J –(continued)

- † Submittals
- † Service Area and Off Installation Sites
- † Transition Requirements
- † Government Recognized Deficiencies
- † Examples of Easement and Bill of Sale

† Section K - Representations, Certifications & Other Statements of Offerors

- † Fill-ins - must be completed and provided along with offer



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Section L – Instructions, Conditions, and Notices to Offerors

- † Site Visits and Technical Library (L.2.1.4 and L.2.1.5)
 - † Site Visits (TBD)
 - † Technical Library (TBD)
- † Proposal Preparation Instructions (L.3)
 - † Volumes - must be separated
 - † Technical - 200 pages per system
 - † Past Performance - 40 pages
 - † Contract Documentation (including any exceptions to terms and conditions)
 - † Price Proposal



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Section M – Evaluation Factors for Award

† Explains how Offers will be evaluated (M.3)

† Factor 1: Technical Capability

† Subfactor 1: Service Interruption/Contingency Plan

† Subfactor 2: Operations and Maintenance Plan and Quality Management Plan

† Subfactor 3: Capital Upgrades and Renewals and Replacements Plan

† Subfactor 4: Operational Transition Plan

† Subfactor 5: Financial Strength



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Section M – Evaluation Factors for Award

- † Evaluation Factors cont (M.3)
 - † Factor 2: Past Performance
 - † Factor 3: Risk
 - † Subfactor 1: Performance
 - † Subfactor 2: Assurance of Long-term Price and Service Stability
 - † Subfactor 3: Price Realism
 - † Factor 4: Socioeconomic Plan
 - † Factor 5: Price
- † Objective is to select the proposal that represents the Best Value



Required Information/Submittals



- † Past Performance References – due when proposal is submitted
- † Proposal – due November 26, 2001
(1 – original, 3 hard copies and 1 copy on CD)
 - † Technical
 - † Past Performance Information
 - † Contract Documentation
 - † Price Proposal



Required Information/Submittals



- † **Technical Proposal (L.4)**
 - † **Service Interruption/Contingency Plan**
 - † **Operations and Maintenance Plan and Quality Management Plan**
 - † **Capital Upgrades and Renewals and Replacements Plan**
 - † **Operational Transition Plan**
 - † **Financial Strength**



Required Information/Submittals



- † **Contract Documentation (L.6)**
 - † **SF 33 - Fill-in and sign**
 - † **Section K (Representations and Certifications)**
 - † **Schedule B-1 or B-2 (Bid Schedule)**
 - † **Exceptions to Terms and Conditions**
 - † **Subcontracting Plan - large businesses only**
 - † **Socioeconomic Plan - all businesses**

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Question and Answer Period



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QUESTIONS AND ANSWERS

Procurement Sensitive