

Air Force Civil Engineer Center

Integrity - Service - Excellence



AFCEC Contract Vehicles



Agenda

- **Enterprise Procurement Division**
- **722 Enterprise Sourcing Squadron (ESS)**
- **AFCEC/CEMB**
- **Small Business (ESS/SB OL)**
- **Questions**

Air Force Civil Engineer Center

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Overview Current AFCEC Contracts

Ms. Tammy O'Neill
Deputy, Enterprise Procurement Division
22 Aug 2013



Acquisition Thoughts

- **Market research is key to developing acquisition strategy**
- **Providing responses to Requests for Information (RFIs) allows you the opportunity to provide input into the acquisition strategy**
- **We want your input on ways to reduce risk for all parties**



Current AFCEC Contracts

■ Design/Construction & Environmental

■ Worldwide Planning, Program, & Design 08 (4PA-E08)

- 5 yr IDIQ...\$3B capacity...22 Full Scope, 7 Reduced Scope, exp Dec 2013
- A-E13 DCS & A-E13 ES in procurement, estimated award Nov/Dec 2013

■ Heavy Engineering, Repair, and Construction (HERC) (Overseas only)

- 5 year IDIQ...\$6 - \$15B capacity...19 firms; 15-F&O, 4-8(a) firms, expires Sep 2013
- Requirement development in progress for new construction vehicle, est award 12-18 mts

■ Environmental, Construction, Ops & Services (ECOS09)— 100% SB set aside

- 5 year IDIQ...\$350M total...\$95M services...10 small firms, expires 6 Nov 2014

■ Worldwide Environmental Restoration and Construction 2009 (WERC09)

- 5 year IDIQ...\$3B capacity...23 F&O, 16 small, 3-8(a), 2 SDVOSB
- Expires 25 Sep-29 Oct 2014; Perform. Based Remed. 25 Sep-29 Oct 2017

■ SRM Acquisition and Task Order Contract (SATOC)

- 5 Year + 5 options IDIQ...\$4B capacity...20 Contractors



Current AFCEC Contracts

■ **Design/Construction & Environmental (con't)**

■ **Air Force Contract Augmentation Program III (AFCAP III)**

- IDIQ contract...5 Contractors
- **Follow-on in procurement, est award 15-18 months**

■ **Advisory & Assistance Services (A&AS)**

■ **Global Engineer, Integration & Tech Assistance (GEITA 2011)**

- A&AS; 100% small business set aside, 2-yr base + 3 option years

■ **Real Property/Housing**

■ **Real Estate Support Services (RESS)**

- 5 year IDIQ...\$40M capacity...4 Firms (1 large, 3 Small), exp Jun 2016
- A&AS Requirements to include Enhanced Use Leasing (EUL)

■ **Post Closing Management (PCM)**

- IDIQ contract...1 Contractor, exp Mar 2013
- **Follow-on in procurement, est award 3-6 months**

Contact AFCEC Enterprise Procurement Team @ 210-395-8010



AFCEC Strategic Acquisitions

■ AFCEC Construction Services

- RFI & Synopsis posted to FedBizOpps on 18 July 2013
 - Analyzing info for use determining acquisition strategy
- Kick-off on 22 Aug 2013 @ San Antonio, SAME sponsored Industry Day, Small Business Fair
 - AFCEC Business Opportunities
 - AFCEC Contract Vehicles

■ Air Force Contract Augmentation Program (AFCAP) Follow-On

- Contingent contract tool, teaming Government & private industry, providing responsive solutions to National Command Authority issues
- Multi-year/vendor, ID/IQ-type contract, structured for rapid response
- RFP release early CY14, award timeline 15-18 months



Contract Website

http://www.afcee.lackland.af.mil/contracting/contracts.asp

File Edit View Favorites Tools Help

Project Detail I-35 Selma SCPD Library USBank T-CDP GEITA FBO TMT EIM WebMXT MyPay DTS Pubs Plan Bistro MRR Reader FB BoA Citi PCOLS Read Later RCEP TBPE

(3) Facebook Contracting

U.S. Air Force Civil Engineer Center

HOME NEWS MULTIMEDIA DIRECTORATES LIBRARY QUESTIONS

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 - ESG FY13 Performance Based Remediation Program
 - Environmental Operations and Services (EOS)
 - Global Engineering, Integration, and Technical Assistance 2011 (GEITA 11)
 - AFCEC Information Technology Support
 - Post Closing Management - (PCM-2013)
 - Architect-Engineer Environmental Services - (A-E13ES)
 - Architect-Engineer Design and Construction Services - (A-E13DCS)
- Other Contracting Links
 - Points of Contact
 - Related Links
- Contact Information**

For questions about specific contracts, please use the contact information on the corresponding contract page.

For general questions or comments about pages within the Contracting area of the AFCEC web site please email your questions to afcee.ac.awaq@us.af.mil.

AFCEC, Bldg 171
2261 Hughes Ave, Ste 155
Lackland AFB, TX 78236-9853
Local: (210) 395-8776
DSN: 969-8776
- Disclaimers/Notices**
 - Privacy and Security Notice
 - External Links Notice
 - Freedom of Information Act

This Air Force Web page is compliant with Section 508

Currently Awarded Contracts

[Find a Contractor](#)

Advisory & Assistance and Other Services

- [GEITA Bridge](#) GEITA Bridge: Global Engineering, Integration and Technical Assistance - **No Longer Available for New Orders**
- [IVIS09](#) Administrative Support Services
- [PCM](#) Post Closing Management (PCM)
- [PRESS](#) PRESS: Privatization Real Estate Support Services - **No Longer Available for New Orders**
- [RESS](#) RESS 2011: Real Estate Support Services 2011

Architect-Engineer

- [4PAE08](#) 4PAE08: Worldwide Planning, Program, and Design

Design and Construction

- [Fuels](#) Fuels - **No Longer Available for New Orders**
- [HERC](#) HERC: Heavy Engineering Repair & Construction

Remediation and Construction

- [DBR2](#) Design-Build, Restore, Remediate
- [ECOS09](#) ECOS09: Environmental, Construction and Operations & Services 2009
- [WERC09](#) WERC09: Worldwide Environmental Restoration & Construction 09

<http://www.afcee.lackland.af.mil/contracting/contracts.asp>

<http://www.fbo.gov/> keyword search: AFCEC

Contact AFCEC Enterprise Procurement Team @ 210-395-8830



AFCEC Contact

To contact AFCEC:

Afcec.pa@us.af.mil

Toll free telephone:

[1-866-725-7617](tel:1-866-725-7617)

On the web at: www.afcec.af.mil

**Follow Air Force Engineering and
AFCEC on Facebook at:
www.facebook.com/#!/AirForceCE**





772d Enterprise Sourcing Squadron



Construction IDIQ Industry Day Contracting

Beatrice Torres

Procuring Contracting Officer

22 August 2013

San Antonio, TX

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Industry Day Goals

- Introduce 772 ESS Contracting Team
- Communicate 772 ESS & AFCEC's current direction
- Continue with Market Research to refine strategy
- Provide an opportunity for networking
- Capture & address your questions



Current AFCEC Construction Contracts

Year	# of Awards / Pricing Arrangement	Large Business	Small Business	Program Ceiling	Total Obligations
2006 (HERC)*	19 FFP & CPFF	19	0 SB***	\$10B	\$5B
2008 (SATOC)**	20 FFP & CPFF	19	1 - 8(a)****	\$10B	\$1.7B

*** HERC ordering period ends Sep 2013**

**** SATOC ordering period ends May 2018**

***** At time of award of HERC – there were 5 SBs**

****** At time of award of SATOC – there were 6 SBs**



HERC and SATOC Contracts

Heavy Engineering Repair & Construction (HERC) NAICS Code 236220	S/R &M Acquisition Task Order Contract (SATOC) NAICS Code 236220
Program Ceiling \$10B	Program Ceiling \$10B
<ul style="list-style-type: none"> ➤ Period of Performance (2006-2013) ➤ Design & Construction (MILCON, MFH, SRMD, Contingency) ➤ Support Environmental work incidental to construction effort ➤ No stand alone environmental contracting ➤ Delivery Methods <ul style="list-style-type: none"> -- Turnkey -- Design-build -- Design-build-plus -- Design-bid-build ➤ Worldwide contract suites * <ul style="list-style-type: none"> -- Full & Open (19 contractors) <p>* Currently, only used for OCONUS</p>	<ul style="list-style-type: none"> ➤ Period of Performance (2008-2018) ➤ Traditional programs (MFH, SRM, & Contingency) ➤ Delivery Methods <ul style="list-style-type: none"> -- Turnkey -- Design-build -- Design-build-plus -- Design-bid-build ➤ Worldwide/remote, austere/hostile environment <ul style="list-style-type: none"> -- Full & Open (19 contractors) -- Partial SB set-aside (1 contractor)



Contract Basics

- **Anticipate award of 15-25 Indefinite Delivery Indefinite Quantity (IDIQ) contracts**
 - ✓ **Include Large and Small Business awards**
 - ✓ **Full & Open**
 - ✓ **Small Business Set-asides**
 - **Total number of awards will be based on the quality and quantity of proposals received**
 - **Anticipate procuring under NAICS 236220 – Commercial and Institutional Building Construction (Size Standard: \$33.5M)**
 - **Anticipate construction ceilings of \$950M for Worldwide requirement and \$930M for Regional CONUS requirement**
-



Contract Basics

- **Anticipate 5-Year Ordering Period with 3 additional 1 Year Options**
- **Anticipated Contract Types:**
 - ✓ **Firm Fixed Price (FFP)**
 - ✓ **Cost Plus Fixed Fee (CPFF)**

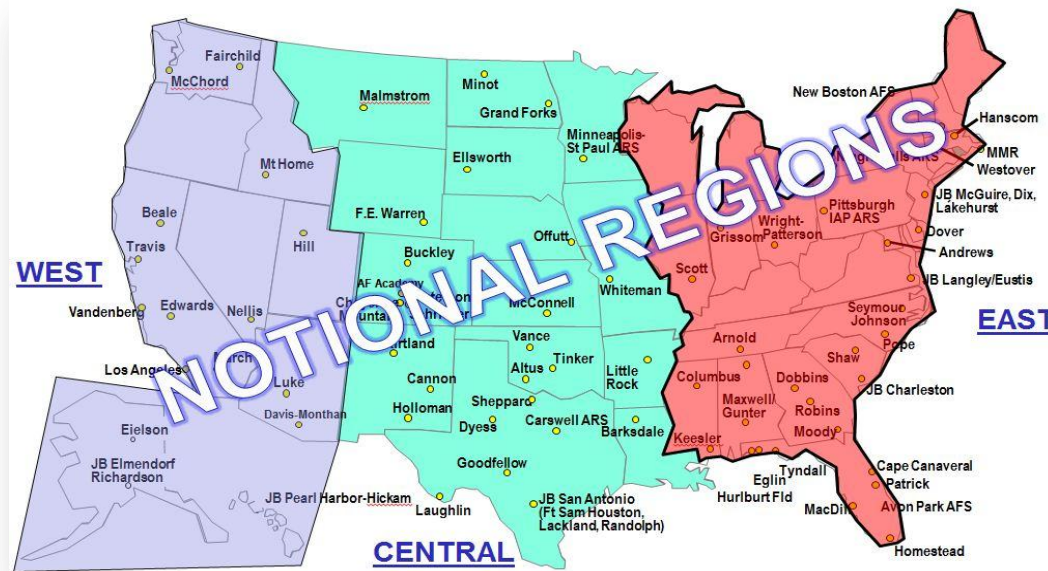
**Note: We are still developing the strategy,
so everything is subject to change**



Project Locations

➤ CONUS (Regional)

- ✓ Anticipate regional CONUS/AK/HI requirements to be SB set asides



➤ Worldwide

- ✓ CONUS and OCONUS
- ✓ Anticipate full and open competition



Starting Construction IDIQ Process

- **Validate Requirement**
 - ✓ **Historical Utilization**
 - ✓ **Projected Requirements**
 - ✓ **Market Research (stakeholders, contractor community)**

- **Develop Acquisition Strategy**
 - ✓ **Acquisition Plan**

- **Announce Requirements:**
 - ✓ **FedBizOps (<https://www.fbo.gov>)**
 - ✓ **AFCEC Business Opportunities Website (<http://www.afcee.lackland.af.mil/contracting/contracts.asp>)**



RFI - AFCEC Construction IDIQ Summary of Requirements

- **RFI posted on FBO on 18 July 2013 / Closed 19 Aug 2013**

- **NAICS Code: 236220 - Commercial and Institutional Building Construction**
 - ✓ **Design and construct new facilities and infrastructure, remodel and upgrade existing facilities and infrastructure**

 - ✓ **Construction, restoration, emergency response, repair, enhancement, maintenance, and demolition of facilities, utilities, real property systems, and infrastructure in support of construction and engineering requirements**



RFI - AFCEC Construction IDIQ Summary of Requirements cont...

- ✓ **Projects may include commercial/industrial projects; airfield and pavement projects, fuels projects, energy projects, Military Construction (MILCON), community development projects, restoration, modernization and restoration of existing facilities and requirements, such as homeland security, force protection, and military family housing projects**
- ✓ **Environmental support of these activities may also be required**
- ✓ **Not intended to do stand-alone environmental contracting**



Market Research Data

**The following slides
provide a snapshot of
market research to date**

*** Monterey Consultants is assisting us with our Market
Research**



RFI Respondents

95 Respondents*
74 - Small Businesses
21 - Other than Small Businesses

* As of 19 August 2013:
Total respondents = 313 looked at questionnaire
with 159 answering at least one question;
with 95 completed responses



NAICS Distribution

Q14: What NAICS would you suggest is most appropriate for construction work?

	237990 – Heavy & Civil Engineering Construction	238990 – All Other Specialty Trade Contractors	Other (see list from free responses)	236220 – Commercial and Institutional Building Construction
% Percentage	13%	9%	5%	73%
Size Standard	\$33.5	\$14.0	N/A	\$33.5

* Data as of 12 Aug 2013



Diversity Demographics

Q15: Please indicate any certifications/designations that describe your company?

* Data as of 12 Aug 2013

8a	AK-owned	EDWOSB	DBE	HUB	Native Amer.	Native HI	SDVOSB	SDB	VOSB	WOSB
20	2	11	17	5	3	0	9	21	12	15
25%	3%	14%	22%	6%	4%	0%	11%	12%	15%	19%

Total number of respondents to this question = **79**
PLEASE REMEMBER THAT RESPONDENTS SELECT "ALL THAT APPLY"

KEY:

8a - 8(a) Business Development

AK owned - Alaska Native Owned

EDWOSB - Economically Disadvantaged Women Owned Small Business

DBE - Disadvantaged Business Enterprise

HUBZone - Historically Underutilized Business

SDVOSB - Small Disabled, Veteran-Owned Small Business

SDB - Small Disadvantaged Business

VOSB - Veteran-Owned Small Business

WOSB - Women Owned Small Business

➤ Other Categories Reported

Graduated from 8(a) Program: 6%

Mentor Company: 14%

Protégé Company: 8%

None of the Above: 24%



CONUS Performance Areas Reflects locations firms indicate they can work

Within One State = 72%

State and Bordering States = 75%

Regionally = 68%

Nationally = 47%

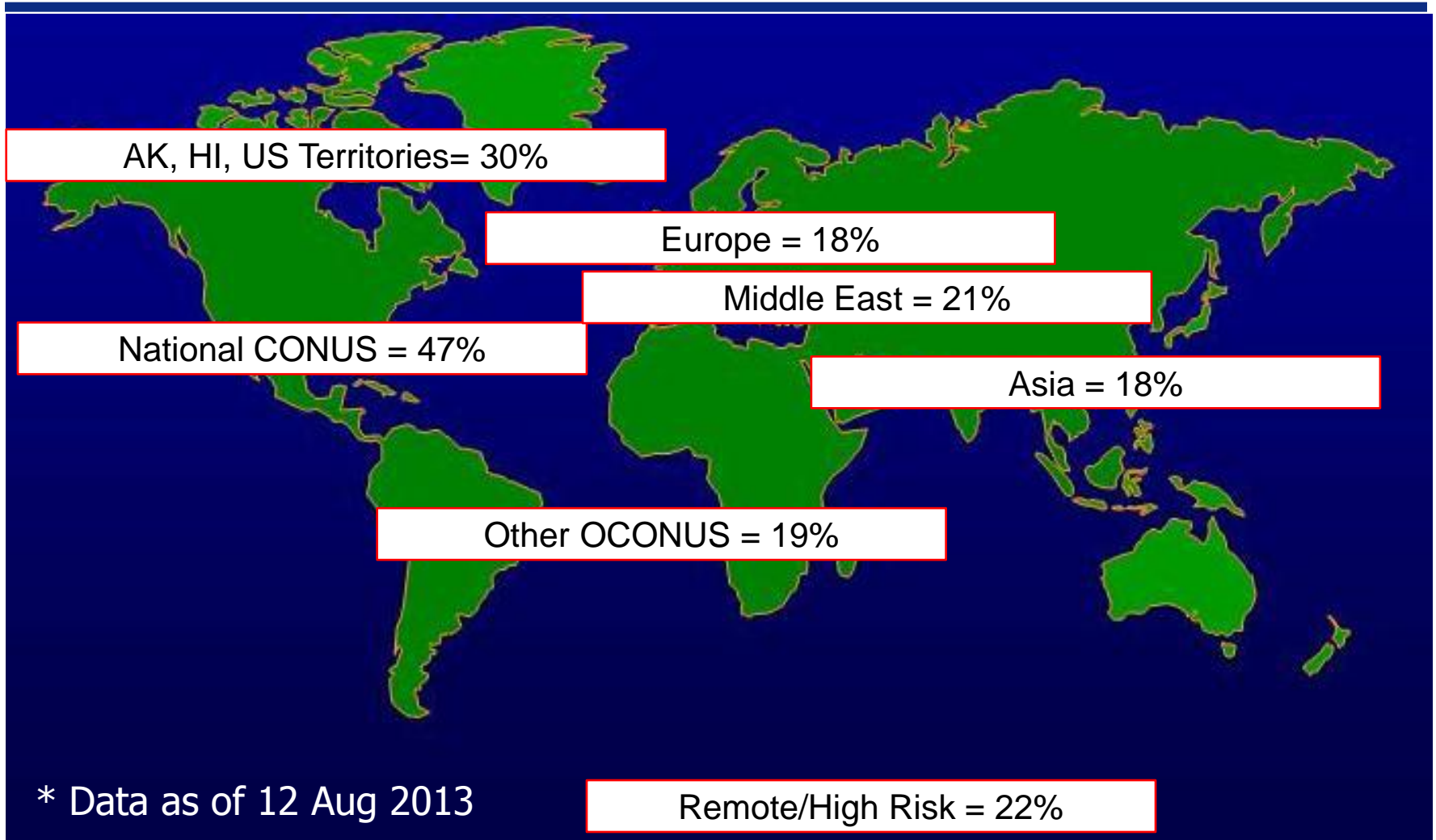
AK, HI, US Territories = 31%

**Major Active-Duty
Air Force Installations**

** Data as of 12 Aug 2013*



Geographic Performance Mapping Reflects where firms indicate they can work





Proposal Factors

➤ Q29: Types of contracts most likely to consider for proposal submission:

- ✓ Regional: 99%
- ✓ CONUS: 84%
- ✓ OCONUS: 31%
- ✓ Remote/High Risk: 24%

➤ Q26: Respondent opinion for appropriate length:

- ✓ 5 years: 69%
- ✓ 8 years: 15%
- ✓ 10 years: 10%

➤ Q27: Suggested Contract Types:

- ✓ Firm Fixed Price (FFP): 83%
- ✓ Cost Plus Fixed Fee (CPFF): 68%
- ✓ Firm Fixed Incentive Price (FFIF): 55%
- ✓ Cost Plus Award Fee (CPAF): 38%

* Data as of 12 Aug 2013



Market Research– In closing

**The information provided
above is just raw data of
RFI #1**



Construction IDIQ Milestones

Event

RFI #1

Industry Day

Draft RFP

RFP Release

Receive Proposals

Contract Awards

Date

18 July 2013

22 Aug 2013

Dec 2013

Feb 2014

March 2014

Dec 2014

*** Schedule is tentative and for planning purposes only**



Preparing for Construction IDIQ

- System for Award Management (SAM)
- Defense Contract Management Agency (DCMA)
- Defense Contract Audit Agency (DCAA)
- Approved Cost Accounting System (FAR 16.104)
- Financial Capability Risk Assessment
- Bonding Capability

Note: List is not all inclusive



Preparing for Construction IDIQ

- **Follow the FedBizOps Synopses EXACTLY!**
 - ✓ **Read, then re-read (*and maybe read again*)**
 - ✓ **Be specific, concise (*not the time to market*)**

- **Make it easy for the evaluators**
 - ✓ **To read**
 - ✓ **To find information**
 - ✓ **To compare what you provide to the published evaluation criteria in the RFP**



**We are still conducting market research
and developing strategy – Everything
discussed today is subject to change.**

Thanks for your attention

We look forward to your participation

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Construction IDIQ Contract Scope Review

Mr. Clarence J. King
Source Selection Evaluation
Board Chairman



DISCLAIMER

- **This Program is currently in the development stage.**
 - ✓ All representations made in this briefing are subject to change as the program development evolves.
- **Information presented here is the best available information at this time.**



Multiple Award IDIQ Contract Definition

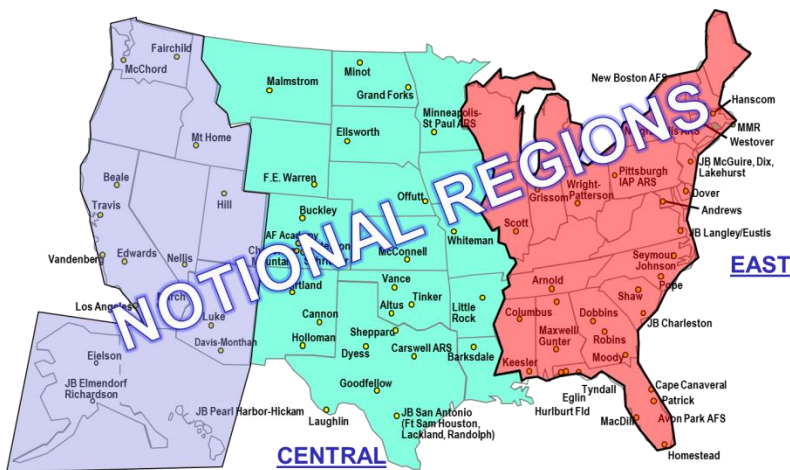
- **The Air Force intends to award multiple contracts from this program**
- **IDIQ is Indefinite Delivery/Indefinite Quantity**
 - ✓ The Air Force will issue Task Orders to the successful offerors for individual construction projects



Contract Provisions

➤ Contract Capacity

- ✓ Worldwide Construction \$950 Million
- ✓ CONUS Eastern Region Construction \$300 Million
- ✓ CONUS Central Region Construction \$330 Million
- ✓ CONUS Western Region Construction \$300 Million





Target Organizations

➤ **Two Categories of Contractors Targeted**

✓ **General Contractors**

- Very limited use of in-house workforce
- Large bonding capacity
- Primarily providing management team to orchestrate and manage subcontractors
- Principally expected for large complex projects Worldwide

✓ **General Construction Contractors**

- Performs significant portions of Construction with in-house workforce (Self Performing Contractors)
- Significant bonding capacity
- Most Small Business participants are expected to be General Construction Contractors
- Principally expected for small to large CONUS projects



Task Order Types

- **Task Orders will be issued in one of four formats**
 - ✓ Turnkey
 - ✓ Design-Build (DB)
 - ✓ Design-Build Plus (DB+)
 - ✓ Traditional Design-Bid-Build (D-B-B)



Turnkey

- Turnkey, also called One-step is defined in Title 10 Section 2862 of the United States code
- Limited to Military Construction (MILCON) projects both CONUS and OCONUS
 - ✓ Includes Regular MILCON
 - ✓ Unspecified Minor Military Construction (P341)
 - ✓ Military Family Housing (MFH)
 - ✓ Base Realignment and Closure (BRAC)
- Contractor will serve as both the Architect of Record and Contractor of Record for completed projects



Design Build (D-B)

- Design Build is defined in Title 10 Section 2305 of the United States code
- Can be used for all types of Military Construction Plus
 - ✓ Army and Air Force Exchange Services (AAFES)
 - ✓ Air Force Services Agency (AFSVA)
 - ✓ Defense Logistic Agency (DLA)
 - ✓ Other types of construction projects
- Conceptual Design will be provided by the Government
- Contractor will complete working drawings and all facets of the construction process



Design Build Plus (D-B+)

- Design Build Plus integrates the IDIQ contractor into the Concept Definition Phase (CD)
 - ✓ CD has two sub-phases
 - Planning and Programming
 - Project Definition validation and support
 - ✓ Allows contractor's design team be involved early with project to perform:
 - Surveys of existing conditions
 - Collaborative participation in Concept Definition
 - Resolution of concerns prior to construction start
- Contractor will serve as both Architect of Record as well as Contractor of Record for completed projects



Design Bid Build (D-B-B)

- Design Bid Build is the traditional way Construction is performed
- Government provides complete Plans and Specifications for the project
- Government is the Architect of Record for the project and IDIQ Contractor is Contractor of Record for the project



Task Order Locations

➤ **Projects will be located at various locations worldwide**

- ✓ Overseas projects may be in Remote and/or Austere Sites
 - This includes High Risk/Contingency Sites (Hostile Environments)

➤ **Work in High Risk/Contingency Sites (Hostile Environments)**

- ✓ The Contractor shall be responsible for all logistical/life support requirements for his employees and subcontractors, including furnishing supplies, equipment, and infrastructure (including but not limited to potable water, utility systems, housing, dining, transportation, and medical care and security) when there are no facilities and services available. (For sites not covered by AFCAP Contract)



Project Types

➤ Construction Projects will include

- ✓ Military Construction (MILCON)
 - Separate Appropriation approved by Congress by Project
- ✓ Sustainment, Restoration, and Modernization (SRM)
 - Normal O&M Appropriation
 - Priorities determined by the Military Services
 - Typically the hallmark of the Construction Program

➤ Construction Projects may include

- ✓ Demolition (Demo)
 - Typically associated with new construction
 - Rarely, there is stand-alone Demolition projects
- ✓ Military Family Housing (MFH)
 - Mostly part of the MILCON Appropriation
 - Some O&M work but not privatization
- ✓ Dormitory Projects
 - Could be complete renovation or new construction
 - Normally significant sized projects



Project Types (Cont'd)

➤ Construction Projects may include

- ✓ Environmental Quality (EQ)
 - Could be Compliance related
 - Could be Remediation related
 - Not typically stand-alone Environmental Projects (Associated with other Construction)
- ✓ P-341
 - Part of MILCON Appropriation called Unspecified Minor Military Construction
 - Normally unforeseen Emergency or Exigent work
 - Military Services determine priorities
- ✓ Fueling Systems
 - Could be DLA funded for Bulk Storage
 - Could be MILCON or O&M funded for hydrant fueling systems
- ✓ Range Construction
 - Both CONUS and OCONUS projects possible



Project Types (Cont'd)

➤ Construction Projects may include

✓ Airfield and Pavement

- Could include Pavement Reconstruction, or Rejuvenation
- Could include Airfield lighting and/or Navigational Aids (NAVAIDS)
- Could include Refurbishment or Installation of Barrier Systems

✓ Energy

- Fenced funding for Energy Projects is expiring
- Budget considerations for Utilities costs will dictate some continuing energy projects are included

✓ Force Protection

- Could include retrofit or new construction to provide enhanced protection of personnel
- Criteria is well defined and will be included at Task Order level



**We are still conducting market research
and developing strategies – items
discussed today are subject to change**

Thank you for your attention

We look forward to your participation!

Enterprise Sourcing Group

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Small Business Programs

***Ms. Mary S Urey
ESG/SB San Antonio OL***



Enterprise Sourcing Group (ESG) Organizational Overview



- October 2010, new organization aligned to Air Force Materiel Command (AFMC) to execute enterprise-wide strategic sourcing
 - ✓ Main offices located at Wright Patterson AFB
 - Contracting & Small Business resources realigned under ESG
 - ✓ AFCEE/SB became ESG/SB San Antonio Operating Location (ESG/SB SA OL)
 - ✓ AFCEE Contracting became 772 Enterprise Sourcing Squadron (772 ESS)
 - ✓ AFCESA Contracting is part of 772 ESS
 - Technical resources did NOT realign to ESG
 - As AFCEE/SB we supported AFCEE (contracting & technical)
-



ESG/SB SA OL Customers



➤ Internal Customers

- ✓ ESG
- ✓ 770 Business Support Squadron Operating Location,
- ✓ 772 Enterprise Sourcing Squadron (ESS)
 - ✓ Air Force Civil Engineer Center (AFCEC)
- ✓ 773 Enterprise Sourcing Squadron (ESS)
 - ✓ Air Force Medical Operations Agency (AFMOA)
 - ✓ Air Force Medical Support Agency (AFMSA)
- ✓ Air Force Force Protection Commodity Council (FPCC)
 - ✓ Air Force Security Forces

➤ External Customers

- ✓ Small and large businesses nationwide
- ✓ Small Business Administration (SBA)
- ✓ DOD/AF/MAJCOM/ESG small business and acquisition leadership



What is a Small Business Office



- Director's advocate/representative for Small Business Program
 - ✓ Facilitate small business participation
 - ✓ Review and make recommendations for all acquisitions over \$10,000
 - ✓ Work to create small business strategies while accomplishing the mission
 - ✓ Strive to ensure acquisition community views interactions with small businesses as more than merely a means to achieve numerical goals

- Every Air Force base has a small business specialist
 - ✓ www.airforcesmallbiz.org
 - ✓ Locator Map - Search by Base or by State



What Does ESG/SB Do ?



- Maximize small business participation by early involvement on all acquisitions
- Advise/assist acquisition personnel with small business issues
- Participate on source selections as evaluator
- Participate as advisor to the Source Selection Authority
- Evaluate subcontracting plans
- Counsel and provide support to small businesses
- Liaison with large businesses
- Maintain an outreach program
- Develop and conduct education and training
- Review contract "Tool-Box" utilization
- Participate in all Industry Days and Contractor Schools
- Industry Sounding Board
- Answerable to DoD/SAF/MAJCOM/ESG small business leadership



What is the Small Business Administration (SBA)?



- Created in 1953 as independent agency of the federal government
 - ✓ Preserve free competitive enterprise
 - ✓ Maintain and strengthen the overall economy of our nation
 - ✓ Aid, counsel, assist & protect the interests of small businesses
 - ✓ Technical assistance (training and counseling)
 - ✓ Financial assistance (loans and surety guarantees)
 - ✓ Contracting assistance (govt contracting and size standards)
 - ✓ Disaster assistance recovery
 - ✓ Special interests (women, native Americans, veterans)
 - ✓ Advocacy, laws and regulations (ombudsman and advocacy)
 - ✓ Civil Rights compliance

- Only agency with authority to determine whether a firm is a small business when an interested party protests size status



Teaming

- FAR 9.601 contractor team arrangement
 - ✓ (1) Two or more companies form a partnership or joint venture to act as a potential prime; or
 - ✓ (2) Potential prime agrees with one or more other companies to have them act as its subcontractors under a specified government contract or acquisition program

- FAR 9.603 “The Government will recognize the integrity and validity of contractor team arrangements; *provided*, the arrangements are identified and company relationships are fully disclosed in an offer...”



Types of Teams

- Joint Ventures
 - ✓ Formal
 - ✓ Informal

- Prime/Subcontractor
 - ✓ Prime is responsible for contract performance
 - ✓ Privity of contract between Government and Prime
 - ✓ Mentors and Protégés not automatically considered a team
 - ✓ Could be an informal joint venture but unless identified as such in the proposal it is not automatic assumption by the government



Joint Ventures

- **FAR 19.101** defines a JV as an association of persons or concerns...concerting to engage in and carry out a single specific business venture for joint profit, for which purpose they combine their efforts, property, money, skill, or knowledge, but not on a continuing or permanent basis for conducting business generally. Joint venture is viewed as a business entity in determining power to control its management
- **13 CFR 121.103(h)** defines a JV as an association of individuals and/or concerns with interests in any degree or proportion by way of contract, express or implied, consorting to engage in and carry out no more than three specific or limited-purpose business ventures for joint profit over a two year period, for which purpose they combine their efforts, property, money, skill, or knowledge, but not on a continuing or permanent basis for conducting business generally



Formal Joint Ventures



- Contract in JVs name
- Contract performance responsibility lies with JV
- 13 CFR 124.513(c) contents of formal JV agreement
 - ✓ Required for 8(a) set-aside contracts
 - ✓ Highly recommended for any other set-aside contract
- In order to receive exclusion from affiliation on any non-8(a) contract, JV agreement between mentor and protégé must comply with 8(a) JV agreements (other than SBA approval of JV agreement)
- Prior to forming a JV check with your legal advisors as no government presentation covers all of the in's and out's of formal JVs



Informal Joint Ventures



- Prime-sub relationship with informal JV agreement
 - ✓ 13 CFR 121.103(h) – JV may or may not be in the form of a separate legal entity
- **This is what we used to brief** - Contract in prime's name & performance responsibility is with prime
 - ✓ 13 CFR 125.6(i) – when an offeror is exempt from affiliation under 13 CFR 121.103(h) and qualifies as a small business, the performance of work requirements apply to cooperative effort of the joint venture
 - ✓ SBA allows 1st tier small business subcontractors to help prime meet the requirements of FAR 52.219-14 as long as informal JV agreement was submitted with proposal
- 13 CFR 124.513(c) contents of formal JV agreement
 - ✓ Highly recommended to be used for informal JV too



Informal Joint Ventures



- Prime-sub relationship with informal JV agreement
 - ✓ 13 CFR 121.103(h) – JV may or may not be in the form of a separate legal entity
- **This is what we are now briefing** – SBA has determined the contract is in the name of the informal joint venture and the performance responsibility is with the informal joint venture
- SBA does **NOT** allow 1st tier small business subcontractors to help prime meet the requirements of FAR 52.219-14 unless the proposal was submitted in the name of the informal joint venture
- We are trying to figure out what that means and how an informal joint venture is different from a formal joint venture
 - ✓ We are working with the SBA to determine this
- We highly recommend you discuss informal joint ventures with your cognizant SBA District Office before you do any informal joint venturing



Limitations on Subcontracting



- Percentages outlined in FAR 52.219-14
 - ✓ Varies for Services, Supplies, General Construction, and Special Trades
 - ✓ If Offeror is exempt from affiliation and qualifies as a SB, performance of work requirements apply to the cooperative effort of the team or JV (whether formal or informal)
- Construction = The small business prime will perform at least 15% of the cost of the contract, not including the cost of materials, with its own employees
- Applicable only if a prime must be small to be eligible for award
 - ✓ Full and open contracts awards, regardless of size of business, should not have FAR 52.219-14 in the contract



We used to tell you: Meeting FAR 52.219-14



- 13 CFR 125.6(i) allows the cooperative efforts of JVs (formal or informal) in meeting FAR 52.219-14
- For many years we allowed for presumption of informal JVs between the small business prime and its small business 1st tier subcontractors
- SBA ruling states informal JV is not presumed and must be evidenced by an agreement between the business concerns explaining the relationship is an informal JV and meets the CFR definition of JV
- At a minimum, agreement shall include
 - Official names of parties to the JV & their respective signatures
 - Statement as to whether the JV is formal or informal
 - Purpose of the agreement
 - Effective dates/performance period for the agreement



Now we are telling you:

Meeting FAR 52.219-14



- Subcontracting limitations requirement may be fulfilled by formal or informal joint ventures meeting the requirements of CFR.
- CO shall request agreement as part of proposal submittal
- Significant “misunderstanding” between SBA and ESG/SB SA OL
- Forget all we said about using your first tier small business subcontractors to help you meet FAR 52.219-14
 - ✓ SBA now states that the prime may use first tier small business subcontractors if submitted informal joint venture agreement with proposal AND that informal joint venture must submit the proposal as a joint venture with a new name
- ESG/SB SA OL is engaged with SAF/SB to engage with SBA to figure this all out
- DO NOT SUBMIT ANY PROPOSALS WHERE PRIME DOES NOT MEET THE LIMITATIONS ON SUBCONTRACTING WITHOUT CONSULTING YOUR COGNIZANT SBA OR ATTORNEY



Subcontracting Goals



- Small Business TBD%
- Small Disadvantaged Business TBD%
- Woman Owned Small Business TBD%
- HUBZone Small Business TBD%
- Veteran Owned Small Business TBD%
- Service Disabled Veteran Owned SB TBD%
- HBCU/MI TBD%
- ✓ Does not apply to work performed in foreign countries
- ✓ Minimum, Government specified goals
- ✓ Goals based on market research & HERC performance
- ✓ Overall small business goal expressed as % of total dollars awarded
- ✓ Sub-category goals expressed as % of your subcontracting dollars



Acquisitions and Mergers



- FAR 19.301-2 and 13 CFR 121.404 cover rerepresentation by a contractor that represented itself as a small business concern
 - ✓ Must notify procuring agency within 30 days after execution of novation agreement or within 30 days after merger/acquisition that does not require novation agreement
 - ✓ Rerepresentation of size in accordance with size standard in effect at time of representation of NAICS code initially assigned to contract
 - ✓ Must revise all applicable contract databases to reflect new size status
 - ✓ If other than 8(a) set-aside, change in size status does not change terms and conditions of contract
- If 8(a) set-aside, change in size status MAY affect contract
 - ✓ 13 CFR 124.515 extremely important in keeping your contract
 - ✓ MUST notify cognizant SBA District Office in writing PRIOR to change in ownership except in case of death or incapacity
 - ✓ Contract will be terminated for convenience unless SBA grants waiver



Sources Sought Synopsis or Request For Information



- Sources sought synopsis = your opportunity to influence acquisition strategy
- Questions on NAICS code, small business goals, teaming, number of contracts, costing type
- Contracting Officer reviews and prepares market research report
- Coordinates with small business office and acquisition strategy is finalized
- Two or more in a size category to have a set-aside
- Cannot merely answer yes or no and expect it to count
- Typically these are for new contracts, but you may see RFIs at the task order level



Best Practices at 772 ESS & AFCEC



- Almost all source selections are 100% Small Business Set-aside or have partial set-asides
- Small Business Participation subfactor weighted with equal importance as other three technical subfactors in all RFPs when using other than LPTA approach
- Small Business Subcontracting Plan has been added as a task order evaluation criteria
- Subcontracting goals are based on total obligated dollars rather than anticipated subcontracted dollars, where appropriate
- ESG/SB SA OL monitors eSRS data and reports to AFCEC/CL and cognizant Contracting Officers



Best Practices at 772 ESS & AFCEC



- Post award concerns are treated as importantly as pre-award planning
- Language has been added to basic contracts to allow small business set-asides at task order level
- All RFIs are reviewed by ESG/SB SA OL prior to public release
- ESG/SB SA OL is standing member of AFCEC Process Improvement Team
- ESG/SB SA OL attends and participates in AFCEC staff and corporate board meetings
- Contracting interns have four month rotation through small business office as part of training



Market your capabilities

- Do it yourself
- Capability statements/brochures
- SAM/Dynamic Small Business Search
- Attend open houses, symposiums, vendor demos
- Become Fed Biz Opps junkie
- Do not overlook subcontracting opportunities
- Know your customer
- Visit small business office
- Market the program managers
- Follow-up
- Do not hesitate to ask questions



SB counterparts in SA



- Lackland AFB
 - ✓ 210-671-1723

- Fort Sam Houston
 - ✓ 210-221-5083

- Kelly AIA
 - ✓ 210-977-2453

- Randolph AFB
 - ✓ 210-652-5460
 - ✓ 210-652-3407