



Procedure for Use of USACE Preplaced Contracts to Expedite Superfund Cleanup Tasks

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

Quick Reference Fact Sheet
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INTRODUCTION

The U.S. Army Corps of Engineers (USACE) has procured preplaced indefinite delivery contracts to provide the EPA with streamlined, flexible access to engineering, removal, and remedial services at selected Superfund sites. This document describes each contract in terms of scope, applicability, criteria for use, response time, and procedures for accessing the contract.

Some Superfund sites require a quick response and lack a well defined scope. Traditional site-specific, firm fixed price contracts do not always meet the needs of these sites because the contracts require a definitive scope of work to facilitate competitive bidding.

To provide more flexible and responsive contracting capabilities, the USACE has procured preplaced indefinite quantity contracts to provide engineering, removal, and remedial services as individual delivery orders under a single contract. Table 1 provides summary descriptions of the contracts and their applications. The delivery orders can be issued on a firm fixed price or cost reimbursement basis depending on the site specific conditions, time available for response, and available site information.

Use of these contracts can shorten the response time for a given task by two to six months. However, they have total contract dollar capacity limits and may have dollar limits for the individual delivery orders; thus, they should be applied only where circumstances warrant.

Type of Preplaced Contract	Applicable Use
Architect/Engineer Services (AE)	Preliminary Assessment/Site Investigation (PA/SI), Remedial Investigation/Feasibility Study (RI/FS), Remedial Design
Remedial Action (RA)	Remedial Action, non-time critical removals
Rapid/Immediate Response (RR/IR)	Time-Critical Response Actions (usually removals)
Total Environmental Restoration Contract (TERC)	All Project Phases-PA/SI to O&M for large complicated sites, typically with several areas to be remediated

Table 1 - USACE Contract Types

DETAILED DESCRIPTION OF PREPLACED, INDEFINITE DELIVERY CONTRACTS

1. Architect/Engineer (AE) Services:

These contracts provide access to AE firms experienced in investigating and remediating Hazardous, Toxic, and Radioactive Waste (HTRW) sites. They can provide PA/SI, RI/FS, and remedial design services, and can assist in the development of Records of Decision (RODs). Delivery orders can be issued on a firm fixed price or cost reimbursement basis. The contract ceiling limits range from \$3 million to \$20 million per contract with limits of \$0.5 to \$2 million on individual delivery orders. Aside from these dollar limits, there are no restrictions to accessing these contracts.

2. Preplaced Remedial Action (PRA) Contracts:

These contracts access full scale remedial action services for a wide range of source control and groundwater remedies. Well defined remedies with detailed design documents can be remediated under a firm fixed price delivery order while remedies which cannot be clearly defined may require a cost reimbursement delivery order. The ceiling limits on these contracts range from \$2 million to \$100 million per contract with typically no dollar limits on individual delivery orders. The expedited nature of these contracts makes it desirable to have the USACE perform the design work in-house or, as a minimum, provide technical oversight of design work performed by others.

The USACE has developed criteria for approving candidate delivery orders for the use of PRA contracts. These include sites where delaying the remedial action results in possible detrimental effects on human health and/or the environment. The decision to use the PRA contracts can be reached in two ways:

- EPA Regions can review the applicable criteria and request the USACE to use the contracting vehicles if they believe the situation warrants expedited action; or
- The USACE, during their evaluation of contracting and scheduling alternatives, can determine that use of the PRA contracts is the most effective approach to the remedial action, and advise the Region of their findings.

Both the AE Services and PRA contracts are in place at many of the USACE Districts. Table 2 provides the appropriate USACE point of contact for each EPA

Region. The EPA Region should consult with the appropriate point of contact when considering the use of these contracts for a given project.

3. Rapid/Immediate Response (RR/IR) Services:

RR contracts are used for time-critical removal actions, point source contamination control, and small scale remedial actions. The USACE currently has two \$50 million RR contracts in place at their Omaha District, with no ceiling for individual delivery orders other than the contract ceiling. Delivery orders are issued on a cost-plus-award-fee basis. The typical contractor response time is 30-60 days.

RR contracts also provide access to immediate response (IR) services, which apply at sites where a release or a threat of a release of a hazardous substance has or is likely to occur. The minimum contractor response time is 72 hours.

For assistance in accessing RR/IR services, Regions should contact Mr. Rick Wilson at the Omaha District at (402) 221-7773.

Because of the expedited nature of the RR/IR contracts program, management and oversight costs are slightly higher than for PRA contracts. The RR/IR contract costs include a 1.5 percent user fee to cover USACE "stand-by" costs.

4. Total Environmental Restoration Contracts (TERC):

The USACE has also initiated a new contracting strategy which can provide cradle-to-grave services at HTRW clean-up sites through a Total Environmental Restoration Contract (TERC). A TERC is an environmental response contract that permits a single contractor to provide full clean-up services (preliminary assessment through remedial action and O&M) at certain large, high priority sites or in a geographic region where it has been determined to be in the best interests of the government. A TERC has the capability to be used throughout actual remediation, and it can be initiated at any investigation or engineering stage; however, it is never used solely for remedial actions. A potential EPA use of TERCS contracts would be an integrated design and construction project, such as a non-time critical removal or a remedial action with special requirements. The contracts are long-term (up to 10 years), indefinite delivery, with cost reimbursement delivery orders. The total ceiling limits on these contracts will typically be the range of \$50

million to \$200 million with no limits on individual delivery orders. For more information on the availability and use of these contracts, call the appropriate USACE point of contact listed in Table 2.

General Initiation Procedures and Corresponding Time Frames for Delivery Orders under the Preplaced Contracts

The general procedures for initiating a delivery order under a preplaced contract follow:

1. EPA contacts their USACE District point of contact about a prospective assignment and discusses applicable contract mechanisms and prepares a project scope.
2. EPA prepares an Interagency Agreement (IAG).
3. USACE prepares a contractor Statement of Work (SOW) and Government Estimate.
4. EPA reviews the contractor SOW.
5. USACE sends a Request for Proposal (RFP) to one of the contractors.
6. The Contractor reviews the RFP and submits a proposal.
7. The final scope, cost, and schedule of the proposal is negotiated between the USACE and the contractor.
8. Upon completion of the negotiations, the USACE, after coordinating with EPA, issues a Notice to Proceed to the contractor and the work commences.

Typical response times for processing and initiating delivery orders under the preplaced contracts are shown in Table 3.

FUNDING FOR ALL CONTRACTS

The funding process is the same as the existing process for assigning work to the USACE. An IAG for the work must be executed. The request and supporting documentation to use a preplaced contract should accompany the IAG and clearly delineate any requirements for faster response and completion schedules. For further information, contact the office that handles IAGs within your Region.

COST

Delivery Order Costs:

Preplaced contract delivery orders for the PRA, RR/IR, and TERC contracts are negotiated for cost, schedule, and technical requirements for each assignment. When the Government negotiates with these contractors, it must conclude that the agreed upon costs are appropriate, fair, and reasonable. If negotiations are unsuccessful with a contract because of cost or other factors, the Government may choose to negotiate with another preplaced contractor.

Region Served	Corps Contact	Office Symbol	Div/Dist Ph Number
1	Ira Nadleman	New England Div. CENED-PD-L	(617) 647-8894
2,4,6,7	Frank Bader	Kansas City Dist. CEMRK-MD-H	(816)426-2323
3	Glen Earhart	Baltimore Dist CENAB-EN-HM	(410) 962-3369
5,8	Miguel Cintron	Omaha District CEMRO-MD-HS	(402) 221-7705
9	Ahsan Sayed	South Pacific Div CESPD-CO-CM	(415) 705-1515
10	Mike Bowlus	Seattle District CENPS-EN-GTHW	(206) 764-3704

Table 2: USACE Contacts for AE Services, PRA Contracts, and TERC

Contract Type	Typical Time Period from Receipt of IAG to Issuance of Contractor Notice to Proceed
Architect Engineer Services	30-60 days
Preplaced Remedial Action (PRA)	75-90 days
Rapid Response	30-60 days
Immediate Response	72 hours
Total Environmental Restoration Contract	30-90 days depending on nature of delivery order

Table 3: Typical Durations for Initiating Delivery Orders

Management and Oversight Costs:

When delivery orders are issued on a cost reimbursement basis, the Government management and oversight costs will be greater than for firm-fixed price contracts or delivery orders. These additional costs are due to a required increase in Government oversight and direction of contractor activities under cost reimbursement contracts. Management and oversight costs for firm-fixed price delivery orders are similar to those encountered under site-specific firm-fixed price contracts.

CONCLUSIONS

These contract strategies provide additional tools to EPA personnel for expediting the initiation of engineering, removal, and remedial activities. They can be used when site activities must begin quickly in order to preclude possible detrimental effects to human health and/or the environment or if it is in the best interest of the government because of other factors. For more information, the EPA and USACE headquarters points-of-contact are John Blanchard (703-603-9031), and Cal Curington (202-272-1064) respectively.

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