

**WESTERN DREDGING ASSOCIATION
Eastern Chapter
Desoto Hilton Hotel, Savannah, Georgia**

**DREDGING INDUSTRY ROUNDTABLE
SAD - Regional Dredging Acquisition Strategy
MATOC (Multiple Award Task Order Contracts)
October 26, 2006**

SAD Discussion Facilitator:	Bob Prince
SAD Regional Dredging Integrator:	Angie Premo
SAD Director of Contracting:	Laura Harrell
SAM Contracting Officer:	Leo Hickman
SAS(W) Contracting Officer:	Sherrel Bunn
SAJ Contracting Officer:	Cindi Tolle
SAJ Contract Specialist:	Dolly Colwell

Session opened with a Power Point Presentation which was narrated by Bob Prince, Laura Harrell, and Leo Hickman. A question and answer period followed with Bob Prince facilitating.

QUESTION: Will other Divisions besides SAD be included in this MATOC initiative?

ANSWERS: SAD -- Cannot say at this time; we will work with other Divisions.

NAD -- Discussions are occurring across regions. Right now we are working mainly on military before we start looking at civil works.

SWD -- Initiatives are being pushed regionally and we are looking at other contracting tools, primarily for hurricane emergency work. Problem with MATOCs in New Orleans was due mainly to the limitations (maximums) placed on individual contracts.

SAJ -- We intend to set the maximums high and on the groups in the MATOC pools; not on individual contracts or contractors.

QUESTION: We are concerned about the use of the RFP process for the MATOCs.

ANSWERS: SAD -- There will be an initial evaluation of all contractors submitting proposals in response to the solicitation. This will establish the “pool” of MATOC contractors. The plans & specifications for individual projects will be issued under an RFP to the MATOC holders. There will be no public bid opening. The evaluation under the RFP for the Task Orders will be primarily based on price. If the entire “pool” agrees, the unit prices of the successful offeror will be released. Debriefings will be allowed. Quick decisions will be made.

SAJ -- There is a misconception relative to the use of RFPs. This will be nothing like the usual SSP (Source Selection Plan) process that is utilized on projects such as Construction/Rock dredging and which requires voluminous proposals. The evaluations will be primarily LPTA (Low Price Technically Acceptable) and decisions will be made within one day in most cases.

QUESTION: Our concern is what happens if there are two bids/proposals due on the same or sequential days?

ANSWERS: SAJ -- That will be the role of the Regional Dredging Integrator; to stagger RFP/IFB due dates within SAD and to work with other divisions to avoid such a situation.

SAD -- Remember, under the RFP rules you can withdraw your proposal at any time prior to award.

QUESTION: In other words, if we submit an offer at 2:00 in Savannah and 4:00 in New Orleans, we can withdraw our proposal?

ANSWER: Yes

QUESTION: What if our offer is \$10M on the MATOC and \$2M on an IFB on the same day? Do you withdraw the \$10M on the RFP without knowing if you are low? When will you notify the low offeror on the MATOCs?

ANSWERS: SAM -- Perhaps we could allow for electronic submissions on the MATOC RFPs and set the time due for proposals at 10:00 a.m. to help alleviate some of this situation.

SAD -- The Districts have just agreed that they will give you preliminary notice that you are the apparent low offeror and we can also notify all offerors whether or not they are the apparent low. We will include such an agreement on the basic MATOC. Remember though, this is “apparent” low offeror in regards to price only. If

there are any other evaluation factors to be considered, the outcome may change.

QUESTION: What about Bid Bonds and Performance & Payment Bonds?

ANSWERS: SAM -- What we have done in Mobile, is request Bid Bonds at time of initial solicitation for the basic MATOC and not at time of the Task Order. These Bid Bonds are in a substantial amount (i.e., \$10M) and remain in effect for the life of the MATOC. Amount would be less, however, on the Small Business Set-Aside MATOCs.

SAJ -- Performance and Payment Bonds would still be required after issuance of a Task Order.

QUESTION: We still don't understand the Government's reluctance to hold public bid openings.

ANSWERS: SAM -- This is in accordance with FAR part 15 (Contracting by Negotiation) which is substantially different than FAR part 14 (Sealed Bidding). It is not our "reluctance" -- we are just following the rules.

SAD -- However, FAR part 12 (Acquisition of Commercial Items) does allow for public bid openings on RFPs if all participants agree. Unfortunately, Construction (including Dredging) is not considered a Commercial Item. Office of Counsel has been consulted on this issue and has prohibited release of all prices on these MATOC RFP's. We are still, however, looking into this issue.

QUESTION: Will there be a Dredging Schedule prepared for these MATOCs and for IFB's within SAD?

ANSWER: Yes. The Regional Dredging Integrator is responsible for overall scheduling and coordination between Districts.

QUESTION: We understand MATOCs in the military construction arena but not in dredging. The Government should be able to do all these things (recent surveys, planning, etc.) without doing MATOCs! The only benefit to industry is the fact that we will not have to deal with FedTeDS on the Task Order RFPs. What about protests?

ANSWER: SAD -- MATOCs are not new! They are faster, easier, quicker and provide for better communication between the government and industry. They also eliminate the need to convert from IFB to RFP which happens more and more frequently. Industry is involved in the

planning process! The Basic MATOC solicitation/contracts can be protested. Task Orders cannot be protested.

QUESTION: We should be able to protest the scope of work, the Continuing Contracts Clause, overdepth issues, and issues which may affect other solicitations.

ANSWER: SAD -- Not protest, partnering! Objective is to get it right!

SAJ -- Issues should always be addressed up front. Protests should only be used as the last resort! Task Orders cannot be protested under the rules contained in the FAR.

SAM -- None of us claim to be perfect spec writers. RFC (Request for Clarification) should be submitted EARLY in the process; waiting until the day before bid opening or proposal due date only prolongs the entire process and results in unacceptable delays. Although you cannot protest task orders there is the Ombudsman process that can be followed (see EFARS 16.505(b)(5)(iii)).

QUESTIONS RECEIVED VIA E-MAIL AFTER THE CONFERENCE

QUESTION: Will the Price Evaluation Preference for HubZone concerns be applicable on the Group 1 MATOCs?

ANSWER: Yes.

QUESTION: Will MATOCs provide opportunities to negotiate work under HubZone and/or 8(a), if only one small business contractor operates a specific type of dredge?

ANSWER: There will not be any sole source work procured under the MATOCs. The very nature of MATOC (Multiple Award Task Order Contract) requires competition between the "pool" of contractors. However, Districts are not "required" to utilize the MATOCs for all maintenance dredging work and therefore, are not prohibited from using other procurement methods.

QUESTION: If a contractor falls into grouping 1 & 2 and the type of dredging completed by the contractor is more likely to be classified as Group #1, will solicitations/projects be made available in Group #2.

ANSWER: A contractor may be eligible to be in more than one Group and could, therefore, hold a MATOC in both Group 1 (Unrestricted, Coast

Guard Certified, Hopper Dredge) and Group 2 (Small Business Set-Aside). However, projects will only be solicited under one Group and this determination is made by the project description, type of equipment required, and historical data on the project. In other words, if a project has always been set-aside for small businesses, it will be solicited under Group 2. If it requires Coast Guard Certified Hopper Dredge, then it will be solicited under Group 1.

QUESTION: In regards to Group 3, Beach Nourishment Projects, is it possible to qualify in this grouping when a contractor would only compete in small scale projects classified as less than 250,000 cubic yards?

ANSWER: Cannot comment on a contractor's ability to qualify at this time. However, a brief review of the Beach Nourishment Projects in the Jacksonville District over the past couple of years indicate that none of them were less than 250,000 cubic yards. The smallest were between 400,000 and 500,000, but the vast majority involved more than 1 million cubic yards up to 3 million cubic yards.