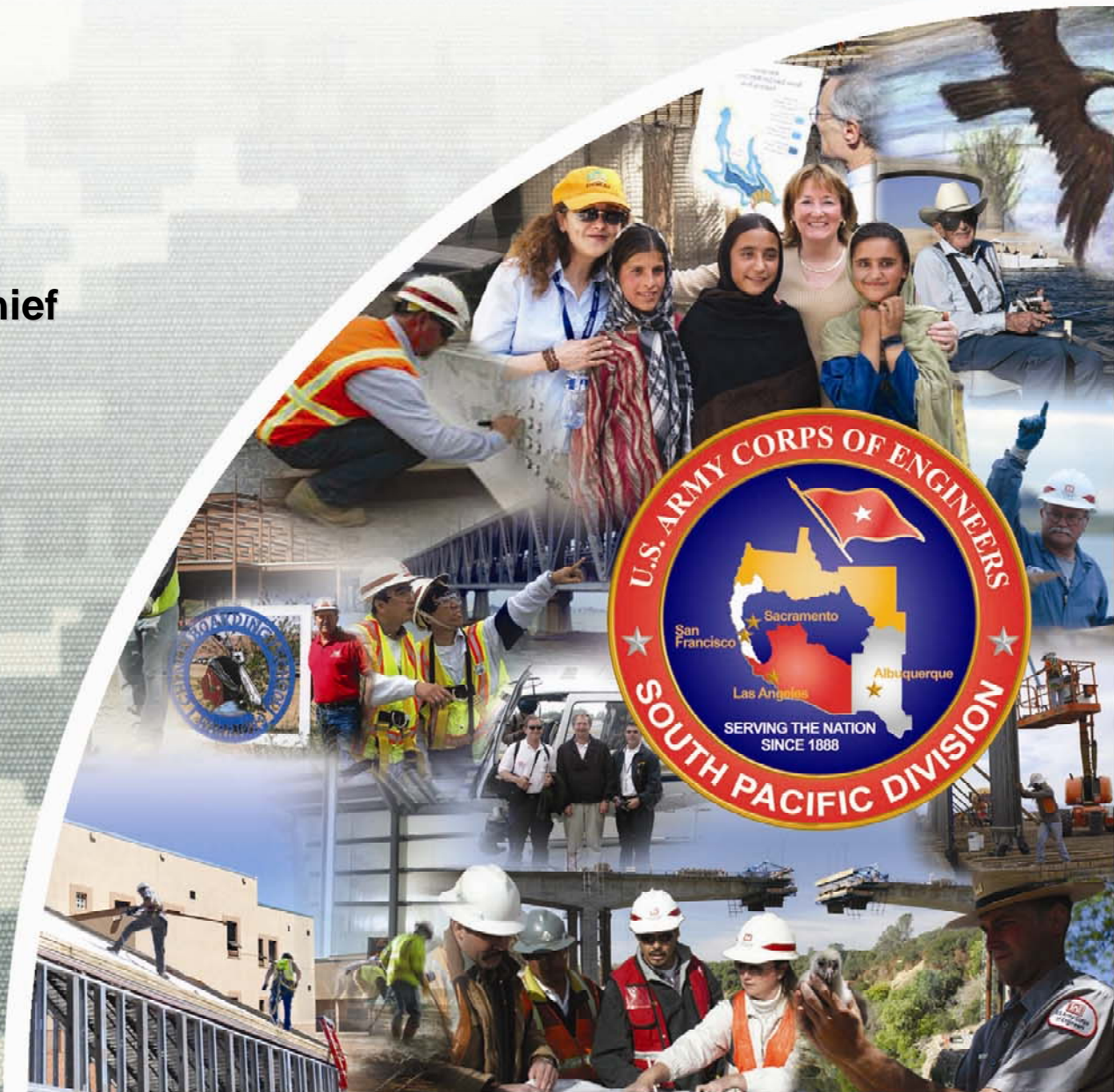


USACE South Pacific Division

CMANC

James D. Bartha
Regional Contracting Chief
South Pacific Division

7 October 2010



US Army Corps of Engineers
BUILDING STRONG

Summary

- I. Review of South Pacific Division Contracting
- II. Review of National Contracting Organization
- III. Dredging Contract Basics
- IV. Overview of Federal Contracting Trends



I. South Pacific Division



BUILDING STRONG®

The Contracting PDT

PROGRAM AND PROJECT MANAGEMENT LEADERSHIP

HQ SPD



Dr. Christine Altendorf

Albuquerque



Jorge Colbert

Los Angeles



Brian Moore

Sacramento



Kristina Mullins

San Francisco



Arijs Rakstins

SMALL BUSINESS PROGRAM DEPUTIES

HQ SPD



Melea Crouse

Albuquerque



Daniel Curado

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Mary Spencer

Sacramento



Michelle Stratton

San Francisco



Rick Vredenburg

CONTRACTING CHIEFS

HQ SPD



Jim Bartha

Albuquerque



David Kam

Los Angeles



Daniel Carrasco

Sacramento



Susan Yarbrough

San Francisco



Linda Hales



CONTRACTING at SPD

Large, Diverse Program

In FY10:

Los Angeles	1,500 awards, \$730 million
Sacramento	2,500 awards, \$525 million
Albuquerque	1,200 awards, \$404 million
San Francisco	470 awards, \$ 83 million
Total	5,800 awards, \$1.74 billion



CONTRACTING at SPD

Diverse Product Line

In FY10:

Civil Works	\$660 Million
Military	\$382 Million
Mil Environmental	\$250 Million
Inter-Agency	\$390 Million
Other	\$ 58 Million
Total	\$1.74 billion



Contracting Process Improvement

Consistency is Our Priority!

- A. Quality Management System
- B. Regional USACE Dredging Initiative Team, which included CMANC, Industry Participation.
- C. Partnering with Industry.
 - Dredging Contractors at WEDA.
 - A-E Community at ACEC.
 - SAME
- D. Strategic Leadership of National Contracting Organization



CONTRACTING at SPD

Consistency is Our Priority!

A. USACE Quality Management System (QMS)

- ISO 9000 inspired, QMS captures and shares standard processes that allow continuously improvement to ensure delivery of superior products and service.
- USACE Contracting currently has 23 QMS Processes.
- More processes being added.
- Goal is to move people or work from District to District, with minimum local processes to learn.



B. Regional USACE Dredging Initiative Team.

- SPD Division and District PDT was chartered in 2008.

Review the South Pacific Region dredging mission as it is executed by San Francisco, Sacramento and Los Angeles Districts in order to gain efficiencies, reduce overall costs and improve navigation mission effectiveness in the Region.

- CMANC and Dredging Industry included.
- Contracting Actions:
 - Regularly compare best practices, lessons learned.
 - Continue to improve pre-bid communications with industry.
 - Evaluate contracting FY workload, and apply regional contracting assets when necessary



C. Partnering with Industry

Dredging

- Dredging Contractors, through Western Dredging Association (WEDA).
- Pacific WEDA conference October 27-29 in Monterey, CA
- PacNavCoP , Contracting CoP
- Regional Acquisition Strategy Board

Architecture-Engineering /Professional Services

- A-E Community through the Council of Engineering Companies California (ACEC-CA)

Society of American Military Engineers



II National Contracting Organization



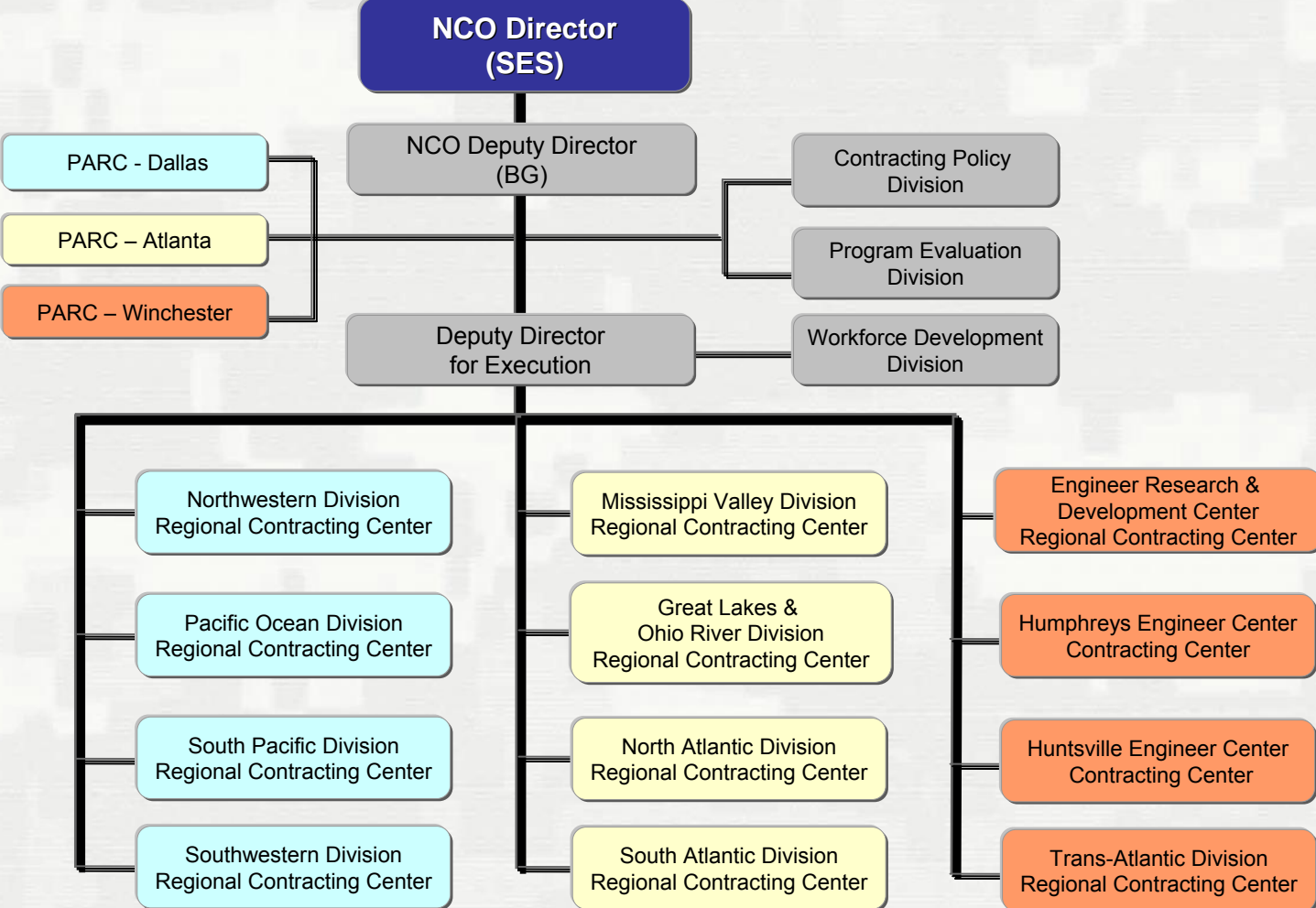
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USACE

- **National Contracting Organization**
 - **Established April 2007**
 - **Address untimely contract execution, poor communication and coordination, and provide greater accountability.**
 - **Better serve Commanders and customers by bringing review, support and approvals closer to the regions.**
 - **Organization that is Regional , with enhanced leadership in Washington**



National Contracting Organization



NCO - April 2007 to Present

Prior to April 2007,

- ✓ **Every District had a contracting team that reported to the District Commander**
- ✓ **Very little support or assistance from HQ.**
- ✓ **Long time to get documents approved.**

Current Director of Contracting – Enterprise Contracting Oversight

- ✓ **Serve as functional principal to Chief on Contracting Matters**
- ✓ **Execute HCA and PARC functions on behalf of HCA**
- ✓ **First Brigadier General in USACE Contracting**

Regional Principal Assistants Responsible for Contracting

- ✓ **Technical Execution**
- ✓ **Review and approve contract documents**
- ✓ **Perform oversight of contractual actions within AOR**
- ✓ **Better staffed, expertise closer to Districts.**

Regional Contracting Chiefs/Center Contracting Chiefs

- ✓ **Manage contracting personnel and resources**
- ✓ **Management of Contracting Offices located at USACE Districts and Centers**
- ✓ **Manage workload & mission**
- ✓ **Serve as business advisor to MSC Commander**
- ✓ **Accountable to both MSC Commanders and HQ Contracting**



NCO Successes

- **Faster award of contracts.**
- **Strict metrics for higher level approvals.**
- **Better Resourced Contracting Teams.**
- **Improved recruiting.**
- **Successful Intern Program.**
- **Quality Management System.**
- **Continuous Quality Improvement.**
- **Attention to execution & operational metrics.**
- **Drive for consistency, sharing of lessons learned.**
- **Electronic Contract Warrant System .**
- **Best in Class Intranet Site.**
- **Military Contingency Contracting Teams**



III Dredging Contracting Basics



Small Business Set-Asides - Dredging

- **Emerging Small Business - < \$400,000**
- **Small Business Required - \$400,000 - \$1 million**
- **Small Business Optional - over \$1 million**

NOTE: “Rule of two” applies



Contract Types

- **Fixed price – lump sum contracts**
- **Fixed price – estimated quantities, paid by line item**
- **Indefinite delivery contract**
 - ***Award contract; issue task orders over a fixed period, usually 5 years**
 - ***Contract has a maximum total dollar value that may not be exceeded**
 - ***Contract has priced line items; Government place orders**
 - ***Creates a long-term contractor/ Government relationship**



Task Order Contracts

- **Awards for same services are made to multiple contractors**
- **Task orders are competed among the contractors**
- **Statement of work is issued to all contractors**
- **Usually contractor who offers lowest price receives a task order**
- **Same features as above except for multiple contractors**



A-E Contracting

- **The Corps complies with Brooks Act**
- **A-E firms compete based upon qualifications only**
- **A public notice is published on the Government website**
- **The top three to five firms are selected**
- **The best qualified firm is selected for negotiation**
- **A-E submits a price proposal; we negotiate and award contract**



Continuing Contracts

- **In 2006, Congress limited the Corps' use of such contracts by prohibiting obligations made in advance of an appropriation.**
- **“True Continuing Contracts clause” replaced with “Special Continuing Contracts Clause”**
- **GAO-09-552 June 22, 2009. Favorable assessment of USACE’s use of new Continuing Contracts. Procedural concerns.**



III Federal Procurement Trends



Federal Procurement Trends

- Competition
 - ▶ Sole-source Contracts increasingly difficult to justify.
 - ▶ More proposals than ever, prices trending lower except dredging.
 - ▶ DoD Service Contracts, limited to 3 years, Current limit is 5 years.
- Efficiency, and Increased Participation for Small Business
 - ▶ Efforts to consolidate agencies' purchases of common goods and services
 - ▶ Increase small business participation.,
 - ▶ New Woman's SB Set-aside allowed (A-E, construction, but not dredging).
- Oversight, Transparency, In-sourcing, Labor.
 - ▶ Recovery Act Contracts resulted in unprecedented transparency, but also a great increase in reporting and overnight.
 - ▶ Administration is bringing contracted work back into the federal government.
 - ▶ Oversight, Transparency = More administration = More time to award, more reporting for Contractors
 - ▶ Policies favorable to labor.



CONTRACTING WITH THE CORPS

- **SAME Small business Conference
Dec. 6-8, 2010 Gaylord TX**
- **SPD 10th Annual Veterans and
Small Business Training and
Outreach Conference – Apr 12-14,
2011 Reno NV**
- **Jim.Bartha@usace.army.mil
(415) 503-6548**



Questions?



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